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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. ALTMIRE).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 15, 2007.

I hereby appoint the Honorable JASON ALTMIRE to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, on a November day 144 years ago, President Abraham Lincoln at Gettysburg National Cemetery gave the greatest and most famous speech ever given on American soil.

In efforts to hold this young nation together, Lincoln addressed the Civil War as testing the nation, ''any nation that is conceived in liberty and dedicated to the proposition that all people are created equal.''

Lord, let his unforgettable words dedicate us and renew us in the cause of freedom. Help us living to fight the unfinished work, to give great memory to those who gave the last full measure of their devotion to this Nation under God that it may have new birth of freedom, and that government of the people, for the people, and by the people shall not perish from this Earth.

Help us, Lord, to be understanding and patient when wars begin around this world in the search for freedom. Help us to be supportive and understanding both now and forever. 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 gentlewoman from Virginia (Mrs. DRAKE) come forward and lead the House in the Pledge of Allegiance.

Mrs. DRAKE 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to ten 1-minute requests on each side.

PRESIDENT ''NO''

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

Mr. BUTTERFIELD. Mr. Speaker, this Democratic Congress was elected to take our Nation in a new direction. We have worked to make meaningful changes for American families by passing fiscally responsible appropriations bills that fund priorities here at home, priorities neglected by the President and the previous Congresses. But every step of the way, President Bush has stood as a roadblock to the progress Americans demanded.

For example, House Democrats worked in a bipartisan way to pass legislation authorizing the popular Children's Health Insurance Program, but the President used his veto pen to say ''no'' to providing health care to 10 million children. We passed the vital infrastructure bill, known as WRDA, which authorizes critical projects to protect communities across the country from natural disasters. The President again said ''no.'' But, fortunately, our Republican colleagues joined us in overriding the veto.

Mr. Speaker, now President ''No'' has vetoed yet another important bill that invests in labor, health, and education priorities for our country. It is again time for House Republicans to stand with us in supporting this bipartisan legislation opposing yet another veto.

HONORING ALLEGHENY POLICE DETECTIVE LAWRENCE CARPICO AND SARAH DEIULIIS

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

Mr. TIM MURPHY of Pennsylvania. In Mount Lebanon, Pennsylvania, a town in my congressional district, Allegheny Police Detective Lawrence Carpico saved the life of 16-year-old Sarah Deiuliis, a victim of a school acquaintance, on October 31, 2007. Sarah had been lured into the woods by someone she considered a friend. When the young man attacked her with a hammer, she fended off her attacker and ran luckily into the path of Detective Carpico who happened upon the couple while walking a dog. Detective Carpico, who was off duty at the time, acted decisively and ushered the girl to safety and called for the assistance of on-duty officers and medics. For his actions, he will be presented with the Mount Lebanon Police Department's Chief's Award.

Likewise, let's recognize Sarah, who displayed extraordinary courage in the face of extreme danger. She fought back against her attacker using intelligence and quick thinking. For this, she will be recognized with the Survivor Award.

It is a great honor to represent such courageous citizens and to present

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their story in this Chamber, and I commend both for their actions.

RECOGNIZING OUR IMMIGRANT COMMUNITIES

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

Mr. GRIJALVA. Mr. Speaker, I rise again today to once again bring a sense of reality and clear light to the immigrant and Latino communities of our Nation.

Six months ago, my family and I went to the wake of a 19-year-old soldier who died in Iraq from my hometown of Tucson, Arizona. It was very difficult, especially when his mother asked me to tell her why he died. I should say, she spoke only Spanish. I said what I could about freedom, sacrifice, and liberty. And now, this Congress wants to change legislation to have the Equal Employment Opportunity Commission not investigate or prosecute cases of discrimination if the complainant doesn't speak English, like this young man's mother. She gave this Nation a son.

I challenge, no, I demand of those proponents that want to have second-class citizenship in this country to go to that mother and tell her why.

OH, CHRISTMAS TREE, OH, CHRISTMAS TREE

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

Mr. POE. Mr. Speaker, A Tree, A Tree, but don't call it a Christmas Tree. Let me explain.

Since forever, Christmas trees have been called Christmas trees. Everyone in the world knows what a Christmas tree is and the traditions that accompany them.

It is almost that time of year for most homes throughout the fruited plain to have some type of tree in them. Even Charlie Brown has a Christmas tree. But Lowe's Home Improvement stores that sell trees won't call them Christmas trees, but now they call them ''family trees'' so as not, I suspect, to offend non-Christians. Of course, it is okay in our culture to offend Christians because they are just supposed to turn the other cheek. However, calling them family trees may offend single individuals who don't have families. So should the trees be called family-individual trees?

Where is this nonsense of political correctness going to end? Lowe's should change its policy. This is the same silliness that caused some retailers last year to refuse to put up signs saying ''Merry Christmas,'' but instead said ''Happy Holidays.''

It is tradition at the Poe house on Thanksgiving that we buy and decorate a Christmas tree. But we won't buy one at Lowe's because, you see, they don't sell Christmas trees.

And that's just the way it is.

IMMIGRATION

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

Mr. BACA. Mr. Speaker, we have heard a lot of hateful rhetoric surrounding the immigration debate on this floor. Some of my colleagues stand here and compare immigrants to terrorists and say that immigrants are lazy and are looking for a free ride, when in fact they have made many contributions to this country, positive contributions.

Let me tell you about an honorable immigrant family from Rialto. Corporal Jorge Gonzalez was one of the first soldiers who made the ultimate sacrifice in Iraq, and I say in Iraq, for this country. The wife and infant son were left behind to apply for special permission just so that their United States flag could be draped over his coffin. Jorge was willing to die to protect this country, willing to die to protect this country; but since he was an immigrant, there are some in this body who would call him a criminal. Immigrants are not criminals. They are soldiers. They are our friends. They are our students. They are our doctors.

It is time for Congress to recognize what is right. Stop this hateful rhetoric, stop the lies. Honor the sacrifices made by men like Jorge.

Lord, help us understand and pass real immigration.

FUNDING OUR VETERANS

(Mrs. DRAKE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. DRAKE. Mr. Speaker, this is day 46; that is, 46 days so far that our veterans have not had the use of the increased funding for their benefits and health care. That is $18.5 million a day not able to be used.

This bill has been done for months and the President has already agreed to sign it. Now, Veterans Day has come and gone and the Democratic leadership continues to delay this bill.

I am calling on the Speaker not to adjourn for Thanksgiving until this bill has been sent to the President. And I call on all Americans to contact their Representatives to tell the Democratic leadership to send a clean veterans appropriations bill to the President. How can we celebrate a holiday with our families knowing that there are benefits that our veterans don't have access to simply because of a leadership decision to hold our veterans funding hostage?

BUSH AND REPUBLICANS REFUSE TO EXPAND HEALTH CARE TO 10 MILLION CHILDREN

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

Mr. WELCH of Vermont. Mr. Speaker, Thanksgiving Day, as my colleague just mentioned, is next week and we have the threat of another Presidential veto to deny 10 million children across this country of all races, all poor, access to health care.

The President has become a born-again fiscal conservative, disregarding any requirement that we pay for the war and disregarding the fact that we are paying for children's health care.

On Thanksgiving Day, all of us are thankful, those of us who have health care, and we are determined that the children of this country will join the Members of Congress in this country, government employees, and citizens across this country who do have access to health care.

The President has refused to meet with congressional leaders. And, by the way, this is bipartisan. Republicans and Democrats in this body stand united in wanting to insure our kids, and the only obstacle is the Presidential veto.

OKLAHOMA'S CENTENNIAL BIRTHDAY

(Ms. FALLIN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FALLIN. Mr. Speaker, tomorrow the State of Oklahoma will celebrate its centennial birthday, and today I come to the House floor to commemorate and honor our State's rich history. And, most of all, I am here to honor the people of Oklahoma, our greatest strength, whose hard work and pioneer spirit have written a truly unique chapter in American history.

Oklahoma has been defined by the adventuresome nature of the men and women who settled there. Although we are a young State, our legacy is significant. Oklahoma has gone from Indian territory to land runs to a State on the cutting edge of American agriculture and energy production. Each portion of our history has left a unique imprint on the culture of our State and our Nation.

Today, 100 years after Oklahoma achieved statehood, we have so much to offer: a tremendous quality of life, a work ethic second to none, and a pioneer spirit just as much alive as it was a century ago.

On the eve of our centennial, we honor all Oklahomans. We have our household names, Will Rogers to Jim Thorpe, but there are millions of others of hardworking, compassionate Oklahomans. I just wish Oklahoma a happy birthday, and may God continue to bless our State.

FUNDING FOR VETERANS

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

Mr. ARCURI. Mr. Speaker, the Democratic Congress is wrapping up its first

year with a proud record of providing real support for our Nation's veterans that starts to make up for lost time. We have passed historic increases in veterans health care benefits totaling nearly $12 billion to meet the needs of those returning from Iraq and Afghanistan, to make up for the President's past shortchanging of our veterans and to keep new fees from hitting veterans families.

Along with focusing on veterans who are returning with PTSD and traumatic brain injuries, we address the military health and disability crisis brought to light by the conditions at Walter Reed Hospital, and we are providing the necessary oversight to ensure a scandal like that never happens again.

This new Democratic majority is also working to make sure troops and their families, strained after multiple deployments in Iraq, get a 3.5 percent pay increase, which the President called unnecessary.

Mr. Speaker, we commemorated Veterans Day this past weekend. Democrats are proud of our accomplishments in honoring our veterans by providing them with health care benefits they deserve.

□ 0915

TARDINESS IN CONGRESS

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

Mr. AKIN. Mr. Speaker, one of the things that can be a problem here in Congress is tardiness or lateness. And we've certainly seen some examples of that. One of the examples is the alternative minimum tax. It's something that every year just keeps reaching down and taxing more and more Americans. And so through the last years, Republicans passed patches to push that alternative minimum tax back. Unfortunately, this year, we're late. We don't have that done. The IRS has got to have that done by tomorrow, or else they're going to take a whole long time to change tax forms, and 50 million Americans will have their tax returns and the money that's owed them by the government late because we're just not on time with getting the AMT patch fixed.

It's also true with the veterans bill. We passed a bill, Republicans and Democrats agreed to it, put more money into the veterans, take care of post-traumatic stress and all kinds of other things that are expenses that the veterans face. The trouble is that bill's been sitting around. We're late again. Let's get a move on.

DEMOCRATIC CONGRESS HAD TO FIGHT PRESIDENT BUSH ALL THE WAY ON THE VETERANS FUNDING BILL

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

Mr. PALLONE. Mr. Speaker, last week this House passed a final veterans funding bill that provides the largest investment in veterans health care in the 77-year history of the VA. Congress initially passed this legislation over the opposition of President Bush and his administration.

Now, back in June, then Bush budget director, Rob Portman, said that the Bush administration would veto the Homeland Security measure as well as an even more generous bill funding veterans health programs and construction at military bases.

One week later, when this House was about to vote on the legislation, the White House sent over a letter saying that planned increases to veterans were excessive.

And then in August, the President directed his VA Secretary to send Congress a letter letting them know that veterans didn't really need $3.7 billion we had included over the President's request.

Mr. Speaker, it's clear that, until recently, President Bush and his administration did not believe we should fulfill our promises to our Nation's veterans. The President's paper trail is clear, and had it not been for this Democratic Congress, our veterans would not now be one step closer to the historic funding increase.

CONGRATULATIONS TO THE COURAGEOUS SHAWNEE STATE UNIVERSITY MEN'S SOCCER TEAM

(Mrs. SCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHMIDT. Mr. Speaker, I rise today to recognize a team of courageous student athletes from Portsmouth, Ohio.

On Sunday, October 28, the Shawnee State University men's soccer team, fresh off their final victory of the season, traveled back to campus to find themselves facing another battle. This was a battle they'd never imagined having to face.

These men witnessed an SUV plunge over an embankment, hit a tree, roll over several times, and land on its top in a creek.

The bus filled with Shawnee State soccer players pulled to the side and went to the rescue. What they found at the bottom of the dark ravine was a family trapped, a family of three. The soccer team broke the vehicle's windows and rescued all the family members safely. Thankfully, the family is alive and well today.

Mr. Speaker, please join me in recognizing these amazing student athletes of Shawnee State University: Paul Adkins, Ryan Appell, Bryan Barker, Jordan Buck, Barry Collins, Michael Cornell, Steven Cox, Rocky Dunkin, Danny Frantz, Ross Frantz, Chris George, Curtis Jones, Andrew Kachilla, Bobby Krauss, Matt Lonsinger, Michael Mohr, Rusty Ortman, Graham Purdy, Brad Reffitt, Kurt Rininger, Drew Sampson, Ken Shonkwiler, Weston Thobaben, Jonathon Venters, and head coach Ron Goodson for their incredible act of heroism and bravery.

And let's say a prayer that the family continues to do well.

JOINT ECONOMIC COMMITTEE IRAQ WAR REPORT

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

Mrs. MALONEY of New York. Mr. Speaker, last night House Democrats voted to send the President a smaller war-funding package with a clear message, send our troops home now. We know this rapid redeployment will save countless American lives.

The Joint Economic Committee estimates that a sharp downturn in U.S. forces in Iraq, like the plan we are advancing, would also lower the war's economic costs by about $2 trillion over the next 10 years.

The cost of this war has simply been too great and the human toll too high. We have already lost more people than this country lost on 9/11, 162 from my home State of New York. In so many ways, we can no longer afford to stay in Iraq.

Democrats in Congress are committed to bringing our troops home soon; repairing our military; caring for our veterans; and charting a new, more responsible, course, a more secure course in Iraq.

IN RECOGNITION OF MICKI WORK

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

Mr. WILSON of South Carolina. Mr. Speaker, I rise today to say farewell and best wishes to a long-time member of the Second District staff, Micki Work. Micki has been a member of the staff more than 5 years where she has served with integrity and professionalism. She will be leaving our office to join the Magazine Publishers of America as the vice president for government affairs.

Micki came to Capitol Hill as an intern on the House Ways and Means Committee. After serving as a staff assistant to Representative GARY MILLER of California, she joined our office as a legislative correspondent. Her hard work and dedication led her to assume the rule of legislative director, where she has been invaluable in helping me address the needs and concerns of the people of the Second District of South Carolina.

A native of Hilton Head Island and a graduate of Hilton Head Christian School and Clemson University, Micki is the daughter of Dorothy Howard and the late Edward ''Mickey'' Howard. Our office will miss Micki tremendously, and we wish her well in all of her future endeavors.

In conclusion, God bless our troops, and we will never forget September 11th.

PROVIDING FOR CONSIDERATION OF H.R. 3915, MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 825 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 825

Resolved, That at any time after the 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. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, 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 except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman 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. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such 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 except as specified in the report, 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 amendments are waived except those arising under clause 9 or 10 of rule XXI. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. During consideration in the House of H.R. 3915 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

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

Mr. ARCURI. Mr. Speaker, for purpose of debate only, I yield the customary 30 minutes to the gentleman from Washington (Mr. HASTINGS). All time yielded during consideration of this rule is for purpose of debate only.

I yield myself such time as I may consume.

GENERAL LEAVE

I also ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on House Resolution 825.

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

There was no objection.

Mr. ARCURI. Mr. Speaker, House Resolution 825 provides for consideration of H.R. 3915, the Mortgage Reform Anti-Predatory Lending Act of 2007, under a structured rule. The rule provides 1 hour of general debate controlled by the Committee on Financial Services. The rule waives all points of order against consideration of the bill, except for clause 9 and clause 10 of rule XXI. The rule makes in order the Financial Services Committee-reported substitute. The rule also makes in order 18 amendments printed in the Rules Committee report.

Mr. Speaker, let me begin by thanking and congratulating Financial Services Committee Chairman FRANK and Ranking Member BACHUS for truly working in a bipartisan fashion to develop this legislation. I would like to point out that the legislation was approved by the Financial Services Committee last week by a vote of 45–19 with support of nine Republicans, including the ranking member. It is this type of bipartisan spirit that the American people demand from Congress, and we as the new majority will continue to provide that.

Mr. Speaker, the subprime lending crisis threatens our Nation's economic security and the dreams of homeownership for many American working families. Now more than ever, American families are at risk of losing their homes. In the second quarter of this year, more than 286,000 mortgage loans entered the foreclosure process.

With the housing market in decline, foreclosures pose a grave danger to the stability of local property values and to our national economy. This lending crisis can be traced to rapid increases in the subprime mortgage, most of which were made with no Federal supervision. This lack of supervision allowed some lenders, not all, to prey on innocent consumers' dreams of achieving homeownership and force punitive subprime mortgages upon them.

Many of these predatory loans feature low teaser introductory rates which lure borrowers who may be eligible for lower fixed rates into loans they have little chance of repaying once the rates increase.

□ 0930

Mr. Speaker, the Mortgage Reform and Anti-Predatory Lending Act would require lenders to prove that borrowers can in fact repay their loans and ensure that vulnerable consumers aren't pressured into refinancing their loans unless the refinanced loan will be to their benefit. And to further protect borrowers, the legislation would curb incentives to steer consumers to high-cost loans and enhance consumer protections for high-cost mortgages.

Finally, the legislation would also provide long overdue and much needed regulation of the lending industry by requiring that mortgage lenders be licensed by States.

Mr. Speaker, every American deserves the opportunity to achieve the American Dream of homeownership. I am proud to stand here today with my colleagues from both sides of the aisle as we take meaningful, commonsense steps to help more American families achieve that dream.

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

Mr. HASTINGS of Washington. Mr. Speaker, I want to thank the gentleman from New York (Mr. ARCURI) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, this rule allows for the consideration of the Mortgage Reform and Anti-Predatory Lending Act, aimed at reforming mortgage lending practices in order to prevent subprime mortgage problems in the future.

I support efforts to better protect homeowners through simplified borrower disclosure, greater focus on deceptive practices, and enhanced education, training and oversight of lenders.

While I recognize that several significant changes were made to address some of the most concerning parts of this legislation during the committee markup, additional improvements and clarification are still needed. Consumers must have protections without unduly restricting credit opportunities or creating enormous liability for the mortgage lending industry.

We must improve the mortgage process to empower consumers to make good choices among competitors, not limit options for them. Also, we must ensure that this bill does not hurt the consumers that it is intended to help, especially those consumers with less than perfect credit histories that hope to achieve the American Dream of homeownership.

The current climate of rising defaults and foreclosures, especially in the subprime market, has shown us that poor lending decisions and abusive lending practices must be addressed.

And while we must deal with the bad actors in the lending industry, let's not forget about the good lenders and investors that have helped thousands of families successfully purchase their homes.

This bill is a step in the right direction, but improvements should be made as this legislation moves forward. I was hoping that the Democratic-controlled Rules Committee would see fit to provide an open rule for consideration of this bill. Under an open rule, Members could come to the floor and offer amendments in their effort to perfect this bill. While this rule allows several amendments to be offered, it is unfortunate that this restrictive rule also prevents Members of Congress from offering amendments on the floor during debate of the bill.

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

Mr. ARCURI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. MATSUI), my colleague from the Rules Committee.

Ms. MATSUI. I thank the gentleman from New York for yielding me time.

Mr. Speaker, I rise today in support of the rule and the underlying legislation, the Mortgage Reform and Anti-Predatory Lending Act of 2007.

The subprime housing crisis is a real threat to our economy. It has already had a devastating impact on our families, our neighbors, and our communities. My home district of Sacramento ranks among the hardest hit areas in the country.

My district ranks fifth in the Nation in adjustable rate mortgages that are expected to reset to higher rates in the future, putting more homeowners at risk of foreclosures. Just last quarter, close to 4,000 homes were foreclosed upon. Without decisive action, this crisis will continue to threaten many more hardworking Americans. As property values continue to fluctuate, it has become harder for many borrowers who are currently locked into these so-called teaser rates to refinance to more affordable loans.

Mr. Speaker, this crisis has affected every aspect our economy. Coupled with the rising gas and heating prices, our country is entering into a very cold winter indeed. In response, the Federal Reserve has cut interest rates and produced more currency, which has further weakened the U.S. dollar to new lows, prompting inflation fears.

Mr. Speaker, we in Congress have a duty to address this crisis. Chairman FRANK's bill is a step in the right direction. The bill establishes standards for home loans, while holding lenders and brokers accountable. The bill also prevents lenders and brokers from steering consumers to high-cost subprime loans just to make a quick extra buck.

Mr. Speaker, Congress needs to be a partner with the communities which we serve. We must work together to find a comprehensive strategy that will protect our homeowners.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve my time.

Mr. ARCURI. Mr. Speaker, I yield 6 minutes to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. I thank my distinguished colleague from New York (Mr. ARCURI). I really appreciate this opportunity.

Mr. Speaker, I stand here with 100 percent support for H.R. 3915. Let me just start off my comments by sharing with you and the Members of the House and the people of this country how severe this issue within the mortgage industry is, particularly within my district and my beloved State of Georgia. We are one of the leading States that have been victims of abusive lending practices, predatory lending, and certainly we are at the epicenter of this mortgage crisis facing us in this country.

For example, Mr. Speaker, 40 percent of the loans in my district are in the subprime area. Homeowners in my district have lost $159 million in home equity value. One of the counties in my district, Clayton County, is one the leading counties in this State that has suffered so desperately from home foreclosures due to subprime lending, abuses within the lending practice, and certainly the epicenter of it all, the eye of the storm, is predatory lending.

My State of Georgia has been fighting this battle for an awfully long time. Even during my days in the Georgia State Legislature as a Georgia State Senator, we had to deal with this issue of abuse from Fleet Finance.

So I want to just start with laying that out, Mr. Speaker, so you can see how critical this issue is, not only within my State of Georgia, but facing this entire Nation. That is why we have this bill. It is an important bill, and it is important because it is urgent that we move in a timely manner.

Let me just state very quickly, Mr. Speaker, if I may, what the key areas are in the reform of this bill.

First of all, it creates a new licensing structure for mortgage brokers and loan originators. This is done to ensure that they are licensed and that they are held accountable for the quality of the loans that they originate. This is very important.

Second, it creates a new minimum standard for mortgages and protections to ensure that all loans are properly underwritten, and eases the way for high-quality or qualified loans, qualified mortgages, to be securitized. This is very important. This is especially important because it ensures continued liquidity in the mortgage securities market, and that is what we really need to make sure that we do foremost, is to make sure we have the money there, to make sure we have the liquidity there.

The third key area is it expands the definition for high-cost mortgages, which greatly increases the protections available for consumers if they desire to select a subprime mortgage.

Now, this bill also addresses reckless loan underwriting, it addresses abusive subprime payment penalties, and it deals with direct incentives for mortgage brokers to steer families into expensive and risky loans. There are a lot of these kinds of unsatisfactory practices that are going on in this industry, let me say not by everyone, but there are some bad actors in this mortgage industry situation. This bill attempts to weave a delicate balance to move in and deal with those that are doing wrong and provide the kinds of protections that our consumers need.

This legislation is needed because all Americans should be protected against predatory lenders. Those are the ones that we are after the most, these folks that sit there and they look and they target areas. They target the most vulnerable people among us. They target minorities. They target African Americans especially. They target Hispanics. They target senior citizens, some of the most vulnerable people. They take advantage of the significant complexity of the language and the complicated situations that are involved in the mortgage industry, so that many people don't know what they are signing for on the bottom line, and they take advantage of that.

We need this legislation because consumers should get good credit. The best thing we can do for consumers currently on bad loans and for future borrowers is to ensure that they can get good credit.

This legislation is needed because credit availability must be preserved, especially in the troubled market that we are in right now. Lenders should not make loans that they know that the consumer cannot pay back.

Mr. Speaker, it is almost unspeakable for many of these loan originators, who know that many of these people can't pay these loans, but they go ahead and they deal with it.

Let me just deal finally with the arguments that there are some on the side that say the legislation is too weak. There are others that say the legislation is too strong. Well, I would just like to say we in Congress have to work with almost everything. It is sort of like making sausage. We have to pull this. We have to pull that. We have to try to come up with a bill that, first of all, we can get through the Congress.

But I am willing to bank my stake on it, Mr. Speaker, that this is a good bill. This is a bill which is a first step which we can deal with. And if they say that this bill is so weak, why are my phones ringing in my office, ringing both here and in Atlanta, Georgia, from bankers and from brokers who are saying that this bill is too strong?

This bill is an effort to move. It is important national lending legislation that, for the first time, prohibits steering a consumer to a loan that would do these four things: A loan that the consumer cannot pay, a loan that does not provide net tangible benefits, a loan that has predatory characteristics, and a loan that treats borrowers differently based on their race or their economic standing.

In most cases, this bill also will allow States, if they want to, to have even a stronger bill, in most cases.

Mr. Speaker, I really appreciate this opportunity. I thank Mr. ARCURI for your patience with me. I hope we will have a chance to come back later in the day and address some of the issues of signing liability and preemption.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve my time.

Mr. ARCURI. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank my colleague from the Empire State, the Great State of New York, for yielding to me, and for his leadership on the Rules Committee and in so many other areas in our Congress.

Mr. Speaker, I rise in strong support of this rule for H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act. I would like to thank the Rules Committee Chairwoman, LOUISE SLAUGHTER, for crafting this rule, and I would like to thank her for making in order 18 amendments, and one amendment that I will offer later on reforms for prepayment penalties on subprime loans.

I congratulate Chairman FRANK for his stewardship on this difficult legislation, and I thank my colleagues, Congressman WATT and Congressman MILLER from the Great State of North Carolina, which passed antipredatory lending in their State legislature that has been referenced many times in committee meetings and hearings.

I also thank the staff on the Democratic and Republican side that have worked very, very hard, our individual staffs and staffs of the committee, on facing this difficult challenge.

Mr. Speaker, I believe that this legislation has been done in a fair, open, and bipartisan process. During the committee markup last week, we entertained numerous amendments and consistently worked with the ranking member and the other Republicans on the committee. The result of all the chairman's hard work on this bill was demonstrated when this bill passed the committee on a bipartisan vote of 45–19.

The bill we are considering today is carefully crafted legislation that was developed after our committee carefully considered the testimony and advice of many experts and witnesses.

□ 0945

I know the Financial Institutions and Consumer Credit Subcommittee, which I chair, held a series of hearings looking into what can and should be done. I am happy to see a number of suggestions recommended by witnesses reflected in this legislation.

This was no easy task. As each and every one of us knows, the mortgage market is incredibly complex and any new proposal to clamp down on abusive practices must be done in a way that does not disrupt what is working correctly. I am proud to say that I believe this legislation has struck that delicate balance. The rule protects this legislation from amendments that may disrupt that balance, yet fairly allows for amendments that could enhance this legislation. I urge all of my colleagues to vote for this fair rule and for the underlying legislation.

Any legislation on this issue must strike a very careful balance that provides enhanced consumer protections without unnecessarily limiting the availability of loans to creditworthy borrowers. This bill contains a number of provisions that strengthen underwriting standards and provide additional protections for consumers while not unduly constraining sound lending and the secondary market. These include setting a clear standard that mortgages should be made based on a borrower's ability to repay, which is absolute common sense; setting up a system for licensing nationally; setting professional standards for mortgage brokers and an appropriate system of registration for loan officers; and setting a reasonable limits on assignee liability to ensure that investors will want to provide liquidity for housing finance.

This bill, I think, is a very strong one. It adds accountability and transparency to the system. It builds investor confidence in the system; and without that confidence, we will continue to face a growing market crisis.

We heard in our hearings from 2 to 5 million people, depending on the economists who were testifying, may lose their homes. That is more than lost their homes during the Great Depression. So the committee focused in two areas: first, on helping people stay in their homes with various measures that we passed, and this legislation going forward will prevent the types of abuses and really the turmoil in the market that was not in place because there were not oversight transparency and safeguards.

I congratulate Chairman FRANK on a very difficult balancing act, and I believe the legislation before us will not only help individuals stay in their homes, prevent abuses in the future, but will help the liquidity, stability, and creditworthiness of our entire economy. I no longer call it a subprime crisis; it's a credit crisis. We need to address it. This is tremendously important. We must pass this bill, and I urge all my colleagues to join me in voting for it.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Texas, a member of the Financial Services Committee (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this rule.

I am very disappointed that one of the most substantial portions of the bill will not be able to be debated today as it was in committee. That has to do with the entirety of the issue of what is known as ''assignee liability.'' It's a very important part of the provision. It deserves to be fully aired on the floor of the House. I am disappointed that the Rules Committee did not find this particular amendment in order.

Mr. Speaker, I submitted two amendments to the Rules Committee, one of which I have been led to believe the chairman of the full committee is going to accept. So it's kind of interesting, the one of the more controversial nature, and actually one that is more substantive, unfortunately, was not found in order.

Mr. Speaker, we know how important it is that we have a vibrant secondary market to add liquidity to that market so that people can realize their dream, the American Dream of owning their own home. Nobody denies that we face great challenges in our subprime market, and I don't think anybody denies that it has the potential to have a great disruption in our economy. But many of us question whether this bill is going to make matters worse or make it better. I believe, Mr. Speaker, it is going to make matters worse.

And one of the matters in the bill that is going to make matters worse is assignee liability. People who choose to invest by having a piece of a group of mortgages and they buy that on what is known as the secondary market, all of a sudden they are going to have legal liability for what somebody else may or may not have done.

So investors not just all over America, Mr. Speaker, but all over the world are going to have options that they look at on where they want to invest their hard-earned money, and many of them are going to say all of a sudden there is all this murky uncertainty, Do I really want to invest in the secondary mortgage market when all of a sudden somebody could turn around and sue me? I didn't originate the mortgage. I don't know the homeowner. I don't even know the person who signed the loan documents. I'm just trying to have an investment for my family, and all of a sudden I can be held liable. Maybe I'll go invest in something else.

At a time when we need even more liquidity in the market this provision will lead to less liquidity.

And all of a sudden we have this murky legal standard. All of a sudden we have got loan originators having to identify loan products that are ''appropriate.'' Well, if you want to talk about a standard that's in the eye of the beholder, it's ''appropriate.'' We talk about ''net tangible benefit.'' Well, who is supposed to determine that? How is that going to be discerned? Loans with ''predatory characteristics,'' well, one person's predatory characteristics may be another person's homeownership opportunity.

We still have to remember, Mr. Speaker, that for all the subprime loans that have gone bad, millions and millions of Americans have had an opportunity to own their first home because of the subprime market. And

here we are again moving in the exact opposite direction. And I think that this assignee liability, this could prove to be a trial attorney's dream and a homeowner's nightmare. And I am very disappointed a major portion of this bill that was debated in committee will not be debated on the full floor.

For this reason, I would certainly oppose this rule and oppose the underlying bill.

Mr. ARCURI. Mr. Speaker, I yield 4½ minutes to the distinguished chairman of Financial Services, the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I will address much of the substance of the bill in the general debate. I do want to say we are here dealing with an issue, subprime mortgages, that is the single biggest contributor to the greatest financial crisis the world has seen since the Asian crisis of the late nineties.

We are in a very difficult situation now in the financial markets; and wholly unregulated subprime mortgages, unregulated by the originator and then unregulated in the secondary market, has given rise to this.

The previous speaker talked about the danger we could do with our liability for the securitizers. I would note that one of those who volunteered to our committee that we should do something, he wasn't specific about what, but something to put some liability there was the Chairman of the Federal Reserve, Mr. Bernanke, who has talked about what he called the originate-to-distribute model, i.e., people who give mortgages who are not themselves subject to regulation who then in turn sell into a secondary market, and what has been lost in that is the responsibility to worry about repayment. Now, we will talk more about this.

There is a delicate balance here. I am not in favor and this bill does not in general preempt the rights of States to do what they think is necessary in the consumer protection area. But in the matter I just talked about, when we are talking about a national secondary market, we did believe some preemption is necessary. We have tried to define it precisely and hold it to a minimum necessary to have a functioning market. As I said, I will address some of those more.

The bill, I believe, does strike a balance that can be a difficult one to achieve, particularly in that area of some preemption so that you have a functioning secondary market, but not to the point where you intrude on the rights of States to make these decisions.

I do want to address the rule. At my request this rule does make in order a number of amendments from both parties. Several of the amendments offered by Republicans will be, I hope, accepted. The manager's amendment itself is a genuinely bipartisan amendment. Much of the manager's amendment, in fact, came from the minority; and, indeed, in our committee the ranking member had a major input into this. This bill did pass committee by a vote of 45–19, which was the Democrats and, not a majority, but a significant number of Republicans.

We have, I believe, a rule that allows most of the issues that are at stake to be voted on. There are amendments that would strike major parts of the bill. The gentleman from North Carolina has one. The gentleman from Georgia has one. There is a third, the gentleman from New Jersey. Three amendments that would strike very much at the heart of the bill. I believe they should be debated and I would hope defeated, but they are made in order.

I did consult very much with the ranking member, and I believe we have a procedure today that doesn't cover everything, but will have the major issues before us.

At the end of today, I hope we will have passed a bill and it will be a bill which I must say will probably leave all parties at interest a little bit unhappy. I'm not pleased with that, but I think given the competing interests here, that is the best we can do, particularly on this issue of whether or not we preempt.

I would note that while some of the groups that I work with in the consumer area are disappointed because they wanted no preemption at all, passage of this bill is supported by the Conference of State Bank Supervisors. They think there are some things they would like to see changed further on. It's supported by the NAACP and La Raza. And it has, we believe, the essential elements.

The core is this: loans made by banks as originators subject to bank regulation have not been the problem. The problem has come when loans were originated by unregulated people, not that they were morally deficient, but there was no regulation. Here is the core of this bill: we have tried talking to the bank regulators and others to take the principles that the bank regulators have applied to loans originated by regulated depository institutions and apply them to the unregulated originators, the brokers. And it is not the case that the brokers were morally deficient. In all of these professions, we have an overwhelming majority of honest people. But the problem is, in the absence of any regulation and the availability of a secondary market with no rules, that minority that was not scrupulous caused us problems. This bill fixes that.

Mr. HASTINGS of Washington. I yield myself 2 minutes, Mr. Speaker.

Mr. Speaker, I just want to respond to my friend from Massachusetts when he outlined the amendments that were made in order and the substance of some of those amendments to be debated and also suggesting that he would oppose some and accept others. I have always admired that in him when he comes up to the Rules Committee and feels that that's part of the legislative process.

The point that the gentleman from Texas was making, apparently he had two amendments, and one of them the gentleman from Massachusetts is going to work with him on; so that one will be resolved. But the gentleman from Texas felt very strongly that the amendment that was not made in order, really the only amendment that had any substance was not made in order, was his amendment, and we don't get a chance to debate it. I think that's a valid argument from his perspective. And I know the gentleman from Massachusetts had nothing to say obviously about that.

So I just wanted to make that point, that, yes, there are a lot of amendments that were made in order. Some of the amendments that were made in order will be addressed later on. But I wanted to make the point of what the gentleman from Texas had made that his amendment was not made in order.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentleman. I appreciate his comments, and I think he's right.

The gentleman from Texas' amendment not made in order was a substantive amendment. I do believe, as I looked at the amendments, every other amendment from either side that presented a substantive issue was made in order, and, frankly, I assumed that this could be the recommit, if the minority cared about it.

□ 1000

We did in the rule, as we should have, provide for every substantive issue to be debated, except that one. There is the motion to recommit, and that would be available for the motion to recommit.

Mr. HASTINGS of Washington. The gentleman has always been open to debate. I am glad he has given us advice on maybe what we want to put in the motion to recommit. One of the easiest ways to do that obviously would be to have made that amendment in order. He had nothing to do with that decision. That was a decision of the Rules Committee. I wish it had been made in order. An amendment was offered to make that in order and was defeated on a party-line vote.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I appreciate it. I don't contest anything he said. But I would say it did seem to me, as I looked at it in a neutral way, that the minority did need some help on dealing with recommits.

Mr. HASTINGS of Washington. I always appreciate the gentleman offering his advice.

I reserve my time.

Mr. ARCURI. Mr. Speaker, I yield an additional 2 minutes to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. Speaker, I think it is very important because the assignee liability issue did come up, and I think as we move through this debate it would be clear to get a clear understanding of what we have in that so we will have a point of reference.

First of all, in this issue, if a consumer gets a loan that violates the minimum standards, in this bill are minimum standards, then the consumer has cause of action against assignees that have purchased that loan. The consumer may sue to rescind the loan and recoup other costs. There has to be an element of liability in the issue. We have worked to get a delicate balance that both protects the consumer while at the same time also saving some elements of liability so that we keep the market free of unnecessary suits.

Further, when the holder of a bad loan initiates a foreclosure, the consumer may exercise a rescission right under this to stop foreclosure. This is important. If the rescission right has expired, the consumer may seek actual damages plus costs against the creditor, the assignee or the securitizer. This provision gives real power to the consumer who can sue to stop a foreclosure of a bad loan or to rescind the bad loan.

Now, we also have some protections from liability for the loan originator. Number one, somebody may ask, why even give some protection from lawsuits to any entity that buys a loan? I believe that most consumers realize that the market provides the funding for loans and that the constant threat of legal action will indeed increase the cost of those loans for everybody. Somebody will have to pay that cost. And normally, that cost will fall on the consumer. So we have struck a delicate balance in the assignee liability.

Mr. HASTINGS of Washington. Mr. Speaker, could I inquire of my friend from New York if he has any more speakers.

Mr. ARCURI. I have no additional speakers.

Mr. HASTINGS of Washington. So if the gentleman is prepared to close, I will close on my side.

Mr. ARCURI. I am prepared to close, yes.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, it really is time for Congress to act and pass a stand-alone veterans funding bill. For the last several weeks, I have encouraged my colleagues to vote ''no'' on the previous question so that we can amend the rule to allow the House to immediately act to go to conference with the Senate on H.R. 2642, the Military Construction and Veterans Affairs funding bill and appoint conferees.

We have heard comments from Democrats that when Republicans were in charge that we did not get our work on the veterans funding bill completed on time. So I would ask my Democrat colleagues, if you don't like the way things were run then, then why are you exactly on the same path? Mr. Speaker, a final veterans funding bill is sitting waiting to be acted on. The Democrat leaders have bent over backwards to prevent Congress from passing the final bill. The stalling is costing our American veterans $18.5 million a day. Since the fiscal year began 46 days ago, our Nations's veterans are out $851 million. The veterans funding bill passed the House this summer with over 400 votes and passed the Senate with over 90 votes, and the President will sign the bill. So let's stop delaying, and let's defeat the previous question so that we cannot just say that we are committed to providing for veterans the funding increase that they need, but we actually get this increase to them.

Mr. Speaker, I ask unanimous consent to have the text of the amendment and extraneous material inserted in the RECORD prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. PASTOR). Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HASTINGS of Washington. Mr. Speaker, I urge my colleagues to oppose the previous question, and I yield back the balance of my time.

Mr. ARCURI. Mr. Speaker, so the record is clear, as the distinguished chairman of the Military Construction VA subcommittee, Mr. EDWARDS, so eloquently stated many times right here on the floor of this House, there is a clear difference between the new Democratic majority's approach to veterans and the previous Republican leadership approach.

The difference is that under the leadership of Speaker PELOSI and the new Democratic majority, supporting veterans is one of the highest priorities of this Congress. My colleagues on the other side of the aisle will claim that we are leaving veterans out in the cold. As elected Federal representatives, we are accountable for not only our words but our actions as well. What the other side won't tell you is that we had passed a continuing resolution in the beginning months of this Congress because the previous Congress failed to ever pass the MilCon-VA appropriations bill last year. They also won't tell you that the continuing resolution included an increase of $3.4 billion for veterans health care. The other side doesn't want to talk about the emergency supplemental spending bill we passed a few months ago which included an additional $1.8 billion for veterans discretionary spending. I am no mathematician, but $3.4 billion and $1.8 billion add up to $5.2 billion, which is larger than any increase in veterans spending passed by the previous Republican leadership.

I admit I am a new Member, but I can still look back at the record to see that the last time the previous Republican leadership passed the Veterans appropriation bill on time was 1996. It sounds to me like the other side of the aisle is suffering from a case of selective memory.

The new Democratic majority has not forgotten about our veterans. We have already passed legislation which has been signed into law that will provide an additional $5.2 billion for our veterans. Mr. Speaker, the numbers speak for themselves. The new Democratic majority has and will continue to provide for our Nation's veterans.

Back to the issue, we are facing a national crisis with hundreds of thousands of families losing their homes and an expected 2 million more over the next 2 years. The Mortgage Reform and Anti-Predatory Lending Act provides long-overdue and much-needed protection to those families.

As I said earlier, every American deserves the opportunity to achieve the American Dream of home ownership. It is because of the leadership and bipartisanship of Chairman FRANK and Ranking Member BACHUS that I am proud to stand here today as we make meaningful, commonsense steps to help more American families achieve that dream.

I urge a ''yes'' vote on the previous question and on the rule.

The material previously referred to by Mr. HASTINGS of Washington is as follows:

AMENDMENT TO H. RES. 825 OFFERED BY MR. HASTINGS OF WASHINGTON

At the end of the resolution, add the following:

SEC. 3. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's

ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

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

The SPEAKER pro tempore. The question is on ordering the previous question.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 597. An act to extend the special postage stamp for breast cancer research for 4 years.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3773, RESTORE ACT OF 2007

Mr. HASTINGS of Florida. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 824 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 824

Resolved, That during further consideration of the bill (H.R. 3773) to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, and for other purposes, as amended, pursuant to House Resolution 746, the further amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted. Time for debate on the bill pursuant to House Resolution 746 shall be considered as expired. The bill, as amended, shall be debatable for one hour, with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary and 30 minutes equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence.

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

Mr. HASTINGS of Florida. For the purpose of debate only, Mr. Speaker, I yield the customary 30 minutes to the gentleman, my good friend from Washington, Representative HASTINGS. All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. Speaker, I also ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and insert extraneous material in the RECORD.

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

There was no objection.

Mr. HASTINGS of Florida. I yield myself such time as I may consume.

Mr. Speaker, House Resolution 824 provides for further consideration of H.R. 3773, the RESTORE Act of 2007, under a closed rule.

The rule provides 60 minutes of debate. Thirty minutes will be equally divided and controlled by the chairperson and ranking Republican of the Committee on the Judiciary, and 30 minutes will be equally divided and controlled by the chairperson and ranking Republican of the Permanent Select Committee on Intelligence.

The rule considers as adopted another amendment printed in the Rules Committee report.

Mr. Speaker, with the resurgence of al Qaeda and an increasing global threat from weapons of mass destruction in places such as Iran, every single person in this body wants to ensure that our intelligence professionals have the proper resources they need to protect our Nation.

As vice chairman of the House Intelligence Committee, I assure you that each and every one of us on that panel and others, Republican or Democrat, are working tirelessly, and often together, to do just that.

But the government is not exempt from the rule of law, as the Constitution confers certain unalienable rights and civil liberties to each of us.

After the terrorist attacks of September 11, the Bush administration upset that balance by ignoring the Foreign Intelligence Surveillance Act law, establishing a secret wiretapping program, and refusing to work with Congress to make the program lawful.

Democratic members of the Intelligence Committee have been trying to learn about the Bush administration's FISA programs for years. But the administration, which has been anything but forthcoming, has sought to block our oversight efforts nearly every step of the way.

When the administration finally came to Congress to modify the law this summer, it came with a flawed proposal to allow sweeping authority to eavesdrop on Americans' communications while doing almost nothing to protect their rights.

The RESTORE Act, true to its name, restores the checks and balances on the executive branch, enhancing our security and preserving our liberty. It rejects the false statement that we must sacrifice liberty to be secure. The legislation provides our intelligence community with the tools it needs to identify and disrupt terrorist networks with speed and agility. It provides additional resources to the Department of Justice, National Security Agency, and the FISA Court to assist in auditing and streamlining the FISA application process while preventing the backlog of critical intelligence gathering.

The RESTORE Act prohibits the warrantless electronic surveillance of Americans in the United States, including their medical records, homes and offices. And it requires the government to establish a record-keeping system to track instances where information identifying U.S. citizens is disseminated.

This bill preserves the role of the FISA Court as an independent check of the government to prevent it from infringing on the rights of Americans. It rejects the administration's belief that the court should simply be a rubber stamp.

Finally, the bill sunsets in 2009. This is a critical provision because it requires the constant oversight and regular evaluation of our FISA laws, actions which were largely neglected during the last 6 years of Republican control.

In so many ways, the underlying legislation is more efficient and effective than the administration's proposal which passed in August.

Mr. Speaker, as my colleagues know, last month, we came to the floor on this bill, but when it became clear that Republicans were intent on playing

politics with the security of the American people, we refused to take the bait.

□ 1015

At that time, Republicans announced that they intended to offer a motion to recommit the bill that had no substantive base, was already addressed in the bill and in current law, and was designed to delay consideration of this important intelligence tool. Their reasoning was disingenuous; their motives were absolutely political. As a result, Democrats refused to partake in their game of political theater.

If the House does not pass this bill today because of Republican obstructionism, then it will be abundantly clear that the minority and the administration are willing to put politics in front of the safety of the American people. We are back today, and we will continue to come back to the House floor, however many times it takes, to give our men and women in the intelligence community the tools that they need to do their jobs and keep America safe, while also preserving our civil liberties. This is a balance that is not only difficult but absolutely critical.

I urge my colleagues to vote ''yes'' on the rule and ''yes'' on the underlying legislation.

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

Mr. HASTINGS of Washington. I thank the gentleman and my namesake from Florida (Mr. HASTINGS) for yielding me the customary 30 minutes, and I yield myself as much time as I may consume.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, yesterday the Rules Committee held a second hearing to consider a second rule to provide for consideration of H.R. 3773, the Responsible Electronic Surveillance That is Overseen, Reviewed, and Effective, or the RESTORE Act. As you may recall, a month ago the House considered and approved a closed rule for the RESTORE Act. Not only was it a closed rule, prohibiting any debate on amendments, but it also denied Members the opportunity to cast a separate vote on a manager's amendment and changes to the amendment which became part of the base bill once the rule was adopted.

Mr. Speaker, here we go again. The result a month ago was that the Democrat majority recognized the RESTORE Act was insufficient and decided to pull the bill from the House floor without a vote. Rather than spending a month working in a bipartisan manner to strengthen the bill, yesterday the Democrat-controlled Rules Committee was at it again, rewriting and denying Republican Members the chance to even offer input or suggestions and prohibiting every single Member of the House from offering amendments and alternatives. The Democrat majority's take-it-or-leave-it strategy on this bill is dangerous and is destined to fail, Mr. Speaker. It will not close our Nation's intelligence gap. In fact, it could widen it.

In 1978, Congress enacted the Foreign Intelligence Surveillance Act, or FISA, to establish a procedure for electronic surveillance of international communications. As enacted into law, FISA had two principles: first, to protect the civil liberties of Americans by requiring the government to first obtain a court order before collecting electronic intelligence on U.S. citizens in our country; second, the law specified how intelligence officials working to perfect our national security could collect information on foreign persons in foreign places without having to get a warrant.

The intent of the original FISA law was to enhance American security, while at the same time protecting American privacy. Recognizing that no responsibility of the Federal Government is more important than providing for the defense and security of the American people, Congress should be doing all it can to ensure that FISA continues to reflect the intent of the original law.

In August, Congress, in a bipartisan manner, took an important step forward to close our Nation's intelligence gap. The Protect America Act passed only after repeated attempts by Republicans to give our Nation's intelligence professionals the tools and the authority they needed to protect our homeland. This action was long overdue, and this law marked a significant step forward in improving our national security. The Democrats forced the security tools that we passed in August to expire after 6 months.

Now Congress must act again to renew this law by early next year before the Democrat expiration date arrives and our national security once again will be at serious risk. Unfortunately, the legislation before us today does not provide the security we need to protect our Nation from a potential future terrorist attack. It is a retreat, Mr. Speaker, from a law enacted in August, and jeopardizes the safety and security of Americans from foreign terrorist threats.

I am concerned that not only were final changes to the bill given to the minority just yesterday afternoon, but it was stated in our hearing that the Democrat chairman of the Judiciary Committee got the revised text just moments before we did. Mr. Speaker, I would like to recognize Mr. CONYERS' willingness expressed in his testimony before the Rules Committee to work with Republicans and perhaps even postpone consideration of a rule until the bill could be properly reviewed and Republicans had a chance to offer a substitute or changes to the bill. Sadly, the chairwoman of the Rules Committee overruled Mr. CONYERS and expressed her intention to move this bill without any alternatives, amendments, or possible improvements being considered.

The action of the Rules Committee in October and again yesterday to completely shut down the legislative process shatters the promises made by Democrat leaders a year ago. The distinguished chairwoman of the Rules Committee on December 27, 2006, was quoted in the New York Times, Mr. Speaker: ''We are going to give people an honest and contemplative body they can be proud of once more. We are going to have a much more open process.''

House Majority Leader HOYER, on December 5, 2006, was quoted in Congress Daily PM as saying, Mr. Speaker: ''We intend to have a Rules Committee that gives opposition voices and alternative proposals an ability to be heard and considered on the floor of the House.''

Mr. Speaker, actions obviously speak louder than words. The modernization of foreign intelligence surveillance into the 21st century is a critical national security priority. It is alarming that the Democrat majority wants to move full speed ahead on a bill that weakens Americans' privacy protections, while at the same time strengthening protections for our enemies in the war on terror. I must therefore urge my colleagues to vote against this closed rule so that we can make absolutely certain that we are making our laws more, not less, effective in our constant battle to prevent a future terrorist attack against our Nation.

If this rule is adopted, Members will only have the choice to vote for or against a seriously flawed bill that threatens, not strengthens, our national security. The Democrat take-it-or-leave-it strategy shuts down all voices from being heard, and ultimately every American can suffer the consequences if this bill and the rule are adopted.

Enacting the Protect Act last August, which was a major accomplishment of this Congress, which has chosen to spend, frankly, more time debating and enacting legislation naming post offices and Federal buildings than real policy, it is ironic that the Democrat majority now wants to pull the rug out from under this successful accomplishment.

Again, Mr. Speaker, I urge my colleagues to vote against this closed rule.

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

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2 minutes to the distinguished gentlewoman from California (Ms. MATSUI), my colleague and good friend from the Rules Committee.

Ms. MATSUI. I thank the gentleman from Florida for yielding me time.

Mr. Speaker, liberty and security are not mutually exclusive. Reliable intelligence is crucial for the defense of our Nation. Without it, we would not be safe. At the same time, civil liberties are a vital part of our national identity. Without them, we would not be free.

Our Founding Fathers understood that liberty and security complement each other. Unfortunately, this core premise has been muddled as we have debated FISA legislation. This legislation protects the people and the principles that we hold so dear in this country and it modernizes our Nation's intelligence laws to meet the technological demands of the 21st century.

I am especially pleased that the bill before us today provides such strong legal clarity. Without clear boundaries, intelligence officers will err on the side of caution. Strong legal footing not only protects our civil liberties; it also ensures that prosecutions will not be jeopardized.

Mr. Speaker, the American people also deserve disclosure of the data that has been surrendered to the government by the telecommunications industry. It is critical for Congress to be fully informed before making such an important decision as granting retroactive immunity. Brave men and women have sacrificed to protect the civil liberties and values that we hold most dear. We cannot and should not lightly brush their contributions aside. Instead, we must honor their memories by taking responsible action to protect two of the things that our constituents hold most dear, our freedom and our national security. Neither of these basic American values can exist without the other.

I will continue to support bills like the RESTORE Act that recognize this essential truth. I urge all my colleagues to join me in supporting this legislation.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 6 minutes to the gentleman from Michigan (Mr. HOEKSTRA), the ranking member of the Intelligence Committee.

Mr. HOEKSTRA. I thank my colleague for yielding.

Mr. Speaker, we have talked about the importance, as we have just heard, we have just heard about clear legal authorities; we have talked about the protection of U.S. persons, the need to study this issue in a very important, judicious manner. It's not what happened over the last 4 weeks. Over the last 4 weeks, our colleagues on the other side of the aisle were trying to figure out exactly how to bring this vote forward to get the votes necessary to pass it.

As we went to Rules yesterday, it was about a half hour before we saw the manager's amendment. As I read through the manager's amendment, this is interesting, and as with much else on FISA, I wonder what this really means and how it really works. Does it really provide us with the clear legal authorities? Are the statements that it makes clear? Will it help our intelligence communities?

And while there's a lot of problems in the rest of the bill, I just want to focus on one part of the manager's amendment that is self-enacting today, and that is why I rise in opposition to this unnecessary second rule. It places unnecessary, burdensome restrictions on the intelligence community through a self-executing amendment.

More importantly, however, I would like to highlight my concern with a provision of the manager's amendment in this rule that appears to give extremely broad and vague authorities to the executive branch to conduct surveillance on undocumented aliens within the United States. Section 18 of the manager's amendment is bluntly titled: ''No Rights Under the RESTORE Act for Undocumented Aliens.'' No rights under the RESTORE Act for undocumented aliens. Then it goes on to say: ''This act and the amendments made by this act,'' and by ''this act,'' it's talking about FISA, not this bill, at least that is how I would interpret it, ''shall not be construed to prohibit surveillance of, or grant any rights to an alien not permitted to be in or remain in the United States.''

This poorly conceived and ill-advised provision appears to provide an extremely broad and completely blank check to the executive branch to conduct wholly unregulated surveillance on an undocumented alien in the United States. The scope of this is unprecedented. We have never before extended such blanket authority to the intelligence community to collect information on any person within the country, legal or illegal.

The language is also as vague as it is broad. My counsel says he doesn't know what the effect of an alien not permitted to be in or remain in the United States means, since it doesn't define those terms by reference to other laws. The overall effect of this provision could be breathtaking in its scope.

One of the issues that was supposed to be definitively clarified in this bill is whether or not the enhanced authorities of the Protect America Act or this bill would allow physical searches to be conducted of the homes and businesses of innocent Americans. Since that clarification is supposed to be made in the RESTORE Act, it seems that this provision must be read to permit physical searches of the homes and offices of undocumented aliens.

□ 1030

I've got a few questions for the other side that I hope they would take the time to answer when time is yielded back to them. I would like to obtain clarification with respect to a number of ambiguities in the manager's amendment. Would you clarify under which specific laws an alien could be ''permitted to be in or remain in the United States'' under this manager's amendment? Since it does not refer to specific laws, would the President denying someone permission to remain in the United States under this executive authority trigger this provision?

The amendment also says that it does not prohibit surveillance of undocumented aliens. Would you further clarify what types of surveillance of undocumented aliens are authorized under this provision?

The amendment does not define the term ''surveillance.'' Would it allow surveillance against possible illegal aliens for law enforcement purposes? Would it allow foreign intelligence surveillance to be conducted against transnational smuggling rings? Would it allow surveillance to determine whether someone is an alien not permitted to be in or remain in the United States? Would the amendment exempt undocumented aliens from the physical search requirements of FISA?

One final clarification. Does the term ''this Act,'' as I said, I believe it refers to all of FISA, or is it just some section? Could you clarify how that is different than ''the amendments made by this Act''?

This is unprecedented in its breadth and its scope, potentially unleashing the intelligence community on people in the United States. The practice in the community today is that when someone is in the United States, they are provided the protections of U.S. law. This takes it and shreds it for illegal aliens, or people who may be suspected of being illegal aliens.

And talk about protecting rights, this bill shreds the rights of people who are in this country. It is a significant problem, and this is what happens when you go through a process on this type of technical legislation and do not go through a process that allows the minority or hearings to take place.

Mr. HASTINGS of Florida. Mr. Speaker, before yielding to my good friend from California, the gentleman from Michigan, the ranking member of the Intelligence Committee raised a plethora of questions. I would say to him that he can expect his answers in the general debate, and I am sure that the gentleman from Michigan (Mr. CONYERS) and the gentleman from Texas (Mr. REYES) will enlighten him as to the scope of questions that he put. I would like to, for I feel that he knows the answer to every one of them, but I won't take the time.

I am very pleased to yield 3 minutes to the distinguished gentlewoman from California, the Chair of the Intelligence, Information Sharing and Terrorism Risk Assessment Subcommittee of the Committee on Homeland Security, and if you can say all of that, then you must be somebody, JANE HARMAN.

Ms. HARMAN. I thank the gentleman for yielding. I commend his service on the Rules Committee and his long service, much of which I shared, on the House Intelligence Committee.

Mr. Speaker, I rise in strong support of this rule and the underlying bill. Many in this House, including me, have worked over years to get surveillance right. This bill does a good job, a far better job than the bill reported last month by the Senate Intelligence Committee.

Protecting America from the real threat of additional attacks requires

the strongest possible tools. It also requires a flexible, agile and constitutional set of authorities to guarantee that those who do the surveillance clearly know the rules and obey them and that Americans who may be targeted have appropriate safeguards.

This legislation arms our intelligence professionals with the ability to listen to foreign targets, without a warrant, to uncover plots that threaten U.S. national security.

The bill also protects the constitutional rights of Americans by requiring the FISA Court, an article III court, to approve procedures to ensure that Americans are not targeted for warrantless surveillance.

I have reviewed the changes to this legislation made by the manager's amendment. This amendment makes the bill stronger in two important ways: First, it clarifies that nothing in the bill—repeat, nothing—inhibits the ability to monitor Osama bin Laden, al Qaeda, proliferators of weapons of mass destruction or any terror group or individual who threatens our national security. Second, and this is a point that was just addressed by the gentleman from Michigan (Mr. HOEKSTRA), it clarifies that nothing, nothing, in the bill extends any rights to people who are not in the United States legally. Undocumented aliens, people who aren't citizens or have overstayed their visas receive no rights under this bill. Some may try to scare us into thinking otherwise, but they're just wrong.

The bill does not change current law, and this is a point that may have been overlooked by the gentleman from Michigan. It does not change current law regarding the surveillance of undocumented aliens. Since 1978, FISA, which was enacted in that year, has extended fourth amendment protections to persons legally in the United States. The Protect America Act, which the Republican minority in this body supported in August and which was enacted into law that month, continues that same definition. The Protect America Act defines the coverage of the bill just the way this legislation does. We're not changing the coverage of U.S. persons as defined in 1978 and since under the original Foreign Intelligence Surveillance Act.

Mr. Speaker, terrorists won't check our party registration before they blow us up. Security and liberty are not a zero sum game. The RESTORE America Act will protect the American people and defend the Constitution. Vote ''aye.''

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Florida, a member of the Rules Committee, Mr. DIAZ-BALART.

Mr. LINCOLN DIAZ-BALART of Florida. I thank my friend for yielding.

When we see significant changes in law included in the rule as we see this morning, in other words, self-executed in the rule, it's important that these questions be asked during the debate on the rule, because after this rule is passed, changes in the law will already have been made. The changes in the law are included in the rule.

I have some serious questions. Some of them were already brought out by the ranking member of the Intelligence Committee. For example, there is this section, section 18 in the legislation being brought to us today. Basically it says, warrantless surveillance is authorized by this legislation on any undocumented person in the United States. Now, that's in the law. And I would ask any colleague listening to this, it's in the self-executing part of this rule, section 18, ''This act shall not be construed to prohibit surveillance of any alien not permitted to be in or remain in the United States.''

Now, how do you know, Mr. Speaker, if they're undocumented or not? Thus, now, this will give the right to surveillance, warrantless surveillance with regard to any household where there may be an undocumented worker? This is extremely serious. The question needs to be asked.

The ranking member of the Intelligence Committee pointed out, that's why this needs to be vetted, to be discussed, and not to be included in a rule where we find out about this the morning that the rule is on the floor and the rule makes it law, because it includes in the rule changes in the law that we hadn't even been able to see before.

Now, other questions. There is a prior section in the legislation, section 3, that creates what they call basket warrants for terrorists throughout the world. But wait a minute. Section 18 says that if you are someone not permitted to be in the United States, it should not be construed to prohibit surveillance. My question is, does that section void the prior basket warrant section? I don't know. What I know is that it's in the rule.

When we vote on the rule in a few minutes, we will be self-executing legislation, because these changes in the law are in the rule to be self-executed, to be made already part of the law. So these are serious questions. I wish that there would have been an opportunity for the gentleman from Michigan, along with the chairman, to be vetting these issues, because they're serious issues, serious questions, like the one I asked before.

Now, unlimited, warrantless surveillance for the undocumented. And those who live with the undocumented, I would ask? Those who share a residence with the undocumented? Those who share a workplace with the undocumented and who are citizens, are legal immigrants in the United States? These are serious questions. And now we can ask them on the morning that the legislation is on the floor. And, by the way, it's being included in the rule, so that as soon as we vote on the rule, we will already have voted on this legislation.

No, this is not the way to run this place, Mr. Speaker. It's another example of an excessively exclusivist process keeping out debate affecting legislation, including extremely serious legislation, like this legislation that should be protecting the American people, and that's why this is most unfortunate, this process today, Mr. Speaker.

Mr. HASTINGS of Florida. Mr. Speaker, I would say to my friend from Florida that this rule doesn't change the law. Members will still have an opportunity to vote on the base text of this bill. It doesn't change the law of FISA.

I yield 2 minutes to the gentleman from Texas, my good friend and classmate, Mr. DOGGETT.

Mr. DOGGETT. But there is an ''alien'' issue in this bill and only one alien issue—those who have been so alien to the freedoms we hold dear as Americans.

This is an Administration that has desecrated our Constitution, debased our values and repeatedly undermined our freedoms. For a party that purports to hate Big Government, these Republicans sure do seem to love Big Brother. They demand unlimited Executive power and unrestrained authority to intrude into our everyday lives. Today, we dare to impose some limitations on one of so many examples of their callous disregard of our liberties.

If even former Attorney General John Ashcroft, sitting there in his hospital bed in intensive care, if even he could recognize the illegality of the surveillance that DICK CHENEY demanded, why shouldn't we in Congress be able to do the same? And if one telecommunications company had the courage to say ''no'' to this Administration's wrongdoing, why not the others? And why would we want to protect these corporate accomplices in the surreptitious destruction of our freedom from any accountability whatsoever?

□ 1045

Yesterday, we told this President ''no more blank checks for Iraq.'' And today we say no more unauthorized blanket surveillance of American citizens. Those of us who love liberty must stand up to this Administration's fear-mongering, to its continued leveraging of fear for its own political purposes.

As Mr. CHENEY's current chief of staff once said and what many Americans now recognize is an irresponsible and unconstitutional expansion of Presidential power: ''We're going to push and push and push until some larger force makes us stop.''

Well, today we must be that force. This Congress must stay ''stop.''

Liberty is our strength. Fear is our enemy. This legislation strikes an appropriate balance to keep our families safe and ensure they remain free.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 3½ minutes to the gentleman from Texas (Mr. GOHMERT), a member of the Judiciary Committee.

Mr. GOHMERT. First I've got to comment on some things we heard previously. We heard the right honorable

chairman indicate that the last motion to recommit was designed to delay. If it was merely designed to delay, then why in the world was the bill pulled from the floor and sat on for 4 weeks? The answer: it was not for delay. We had some serious considerations and questions and points to be made about the risk that this was raising.

When I hear my friend from Texas talk about those who love liberty, listen, some of us love liberty enough that we believe the Constitution should not be extended on the battlefield to those who are trying to destroy what our forefathers and foremothers have fought and died to give us.

Now, unless the Democrats believe that they have improved this bill, then there was no reason for a month delay. So either you improved it, Mr. Speaker, either the Democrats improved it or there was no reason to sit on it for a month. And if they did improve it, then the motion to recommit was not political, but apparently helpful.

The problem is this doesn't fix the problems. And unless one party in this body has 100 percent on God's truth all the time, they ought to allow some input from the other side. We were told that was going to happen. It hasn't happened here. We went to the Rules Committee the last time and were shut out. Before the hearing started we were told, put on your evidence but no amendments will be allowed. This time, once again, no amendments are allowed. There is some expertise in this body outside the Democratic Party. I would think it would be helpful to hear some of that.

Anyway, let's look at the bill itself. We are told, well, we can't get into it, we have limited time. Who did that? The Rules Committee did that. The Rules Committee did that.

I would say to everyone, Mr. Speaker, that we have some smart people on both sides of the aisle on the Rules Committee, but their talents are being wasted when they keep having Rules Committee meetings that come back over and over, no amendments. They are wasting their time. They ought to ask for different committees because there is too much intelligence and talent on that committee to waste it like that.

Now, in this new bill that we've got, we had to make amendments without even seeing the new bill. How outrageous is that? But still, we have the requirement that the Director of National Intelligence, and I realize some people think he is suspect on the Democratic side because he worked for the Clinton administration for 6 years. I think he is a brilliant, sharp fellow.

But anyway, he testified before our Judiciary Committee that he cannot swear, nobody can honestly swear that they reasonably believe that a terrorist on foreign soil will never call the United States. Therefore, since he can't testify to that, they can't use this provision.

We are told this is protective because in the emergency provision that is allowed, all you have to do is get that emergency relief, and you can get that in 7 days instead of 15. Even under the emergency relief, you have to reasonably believe there will never be a call into the United States, and we had testimony that can never be done.

This guts our foreign intelligence capability. I think the easier thing to do is just have everybody tell their U.S. friends that if you are getting calls from foreign terrorists, tell them not to call, use some other means of communication. That's the point.

Mr. HASTINGS of Florida. Mr. Speaker, would you be so kind as to inform each side as to the amount of time remaining.

The SPEAKER pro tempore. The gentleman from Florida has 15½ minutes and the gentleman from Washington has 9½ minutes.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 4 minutes to the distinguished chairman of the Select Committee on Intelligence, Mr. REYES.

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is an incredible turn of events from our colleagues on the other side of the aisle who are now arguing for undocumented people within the confines of this country.

Let me start out by making a flat statement. The RESTORE Act confers no additional rights on undocumented aliens beyond those that they already have under the Constitution or current U.S. law.

You know, there is an old lawyer's adage, and I am not a lawyer but I am told by my friends who are, when the facts are not on your side, you are taught to argue the law. When the law is not on your side, you are taught to argue the facts.

Well, here on the floor like we have in the past, we have our colleagues on the other side of the aisle that are so conflicted as to be humorous if this wasn't such a serious, serious issue for our country and for our national security.

When they complain about not having any input, let me just clear the record and for the record state that they filed 12 amendments with our committee, the Intelligence Committee. Yet, when it came time to offer and proffer those amendments, they only had two. One was on immunity which, by the way, we have never been given the documents to review, so we would not have known what we were granting immunity to the telecom companies for. But that one was of their amendments. The second amendment was to substitute the Protect America Act for the RESTORE Act.

That gives you a clear indication that, today just as in the previous Congresses, the Congressional Republicans were and are in a rush to rubber-stamp every single thing that the administration wanted. And so now when things have changed and we have checks and balances, we have our colleagues who formerly rushed, rubber-stamped anything and everything that the administration wanted to do, now they are using delaying tactics. And so when it is convenient, they argue the law. When it is convenient, they argue the facts.

What is clear, crystal clear, here is that we have to have checks and balances. In order to protect this country, in order to protect our national security, there have to be checks and balances. That's what the RESTORE Act does.

And when they complain about the rule, it is a sham argument. When they complain about not having enough input, it is a sham argument. When they argue the facts, it is because the law is not on their side. When they argue the law, it is because the facts are not on their side. So it is not about truth; it is not even about justice. It is about scoring political victories.

There is a publication here on the Hill that said FISA is coming back up on the floor and it will determine who can maneuver best. You know what, as an American, I am sick and tired of maneuvering. I am sick and tired of people saying we need to work in a bipartisan manner when they work to undermine the process of checks and balances. The American people are sick and tired.

I support this rule. I think we have a great bill here in the RESTORE Act. I think this is something that we need to pass today, take it to conference and start being serious about balancing the tools that our agencies need to protect us with a careful balance of protecting Americans' rights under the Constitution. Vote for this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2½ minutes to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I rise in opposition as ranking member of the Foreign Affairs Terrorism Subcommittee. And I can share this: there has not been a terrorist attack on our soil since 9/11, and that is due in part to the improved surveillance in real-time that we are able to conduct against foreign terrorists. There is no disputing that.

I cannot help but feel that many of my colleagues have become so blinded by their hatred of this administration that they have put the threat from radical jihadists in the back of their mind. But given the threat, it is unfathomable that we would weaken our most effective preventive tool, and that is exactly what this bill does.

Before we unilaterally disarm, before we hobble our ability to listen in real-time to the very real terrorists who are plotting against our country around this globe, shouldn't we have something of an accounting of the supposed civil liberties price we are paying?

I asked the Congressional Research Service for such an accounting. They reported there is no available evidence of the type of privacy violations critics

are pointing at. The case can't be proven.

But under this bill, for the first time this bill would stop intelligence professionals from conducting surveillance of foreign persons in foreign countries unless they can read the mind of their terrorist targets and guarantee that they would not call into the United States, that they would not call one of their people here.

This is more protection than Americans get under court-ordered warrants in Mob and other criminal cases here in the United States that we are now granting these terrorists under this act.

We are, frankly, confronting a virtual caliphate. Radical jihadists are physically dispersed, but they are united through the Internet; and they use that tool to recruit and plot their terrorist attacks. They use electronic communications for just such a purpose. They are very sophisticated in that.

So how has the West attempted to confront that? Well, the British use electronic surveillance in real-time. They used it last year to stop the attack on 10 transatlantic flights, and they prevented that attack in August of last year by wiretapping. The French authorities used wiretaps to lure jihadists basically into custody; and, thereby, they prevented a bomb attack.

Given this threat, it is unfathomable that we would weakened our most effective preventive tool, and that is exactly what this bill does.

Before we passed the Protect America Act in August, the Director of National Intelligence told this Congress we are losing up to two-thirds of our intelligence on terrorist targets.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2 minutes to my good friend, the gentleman from New Jersey (Mr. HOLT), who is a member of the Select Intelligence Committee and had substantial input with reference to this provision.

Mr. HOLT. Mr. Speaker, I thank my good friend from Florida, and I rise in support of the rule and the underlying bill.

When Congress made the error of passing in haste and in fear the unconstitutional Protect America Act this past August, some of us could take a bit of comfort from this sorry episode in that it would expire. That meant we would get another chance to get things right, to actually pass a bill that would protect our country from terrorists and also from those in government who would turn the fearsome powers of our Federal intelligence and enforcement communities against the American people. I am pleased to say that after some intense work, we have a bill that does that.

The RESTORE Act now includes provisions via the manager's amendment that will ensure that it is the courts, not an executive branch political appointee, who decides whether or not the communications of American citizens are to be seized and searched, and that such seizures and searches must be done pursuant to a court order that meets the standard of probable cause.

This bill now gives our citizens the best protection we can provide them: good intelligence and the review of the executive branch's actions by a court. We, everyone here, can tell each of our constituents, Muslim Americans, soldiers in uniform, international businessmen, college students: you have the protection of the courts.

Mr. Speaker, I thank both chairmen of the Intelligence and Judiciary Committees for working so diligently to get this right. I urge my colleagues to vote ''yes'' on the rule and ''yes'' on the RESTORE Act later today.

□ 1100

Mr. HASTINGS of Washington. Mr. Speaker, I am very pleased to yield 3½ minutes to the gentleman from California (Mr. LUNGREN), a member of the Judiciary Committee.

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I rise in opposition to this rule.

People should understand that this is one of the single-most important issues we will deal with this year or this Congress, and yet it has been trivialized by the way it has been handled by the Rules Committee.

We were shown what purported to be the bill that we would be working on today 45 minutes before the Rules Committee convened, at which time we were supposed to present our amendments to this bill, draft our amendments to this bill. Maybe it made no difference because they had no intention whatsoever of allowing us any input by way of amendment.

This was startling to me because, having done two 1-hour Special Orders on this subject, I had a distinguished Member from their side of the aisle come to me and say: You know that provision you pointed out, that was placed into this bill as a result of a self-execution rule that actually grants greater protection to Osama bin Laden or anybody else than it would to an American citizen charged with a crime in America. You were right on that. We made a mistake, and we are going to change it.

So I look at this bill and it is still there.

What provision am I talking about? It is the provision that talks about treatment of inadvertent interceptions. If we have an electronic communication which we believed in the first instance was foreign to foreign but we find that it actually is foreign to someone in the United States, what happens? If we inadvertently collect a communication in which at least one party to the communication is located inside the United States or is a United States person, the contents of such communication shall be handled in accordance with minimization procedures adopted by the Attorney General. And that is fine. But then it goes on to say: that require that no contents of any communication to which the United States person is a party shall be disclosed, disseminated, or used for any purpose, or retained for longer than 7 days unless a court order under section 105 is obtained, or unless the Attorney General determines that the information indicates the threat of death or serious bodily harm to any person.

Now, if Osama bin Laden in a conversation or communication with someone in the United States, which we inadvertently pick up because we thought we were listening to foreign to foreign and we hear this, and in that Osama bin Laden indicates where he is, we are prohibited by this provision in this section of the bill from being able to disseminate it to anybody, FBI or anybody else, or using it for any purpose unless we go to a court. That is absolutely absurd. So absurd that a Member of that side of the aisle, the chairman of the Constitutional Law Subcommittee of Judiciary said: You are right, we will take it out. It is not taken out.

That is just one of the problems when you have a rule that doesn't allow people to look at the bill you are going to present to them nor does it allow any amendments to be brought forward.

This not only points out the seriousness of this issue, but it shows that, when you play political games with bringing it to the floor, you might have unintended consequences.

Do I believe that side wants to give greater protection to Osama bin Laden than an American citizen charged with a crime in America? I hope not. But it is in this bill. I was told it was going to be taken out. It has not been taken out. We ought to defeat this rule for that reason whatsoever and defeat the bill if it remains in.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 1 minute to the gentleman from Missouri, the distinguished chairman of the Armed Services Committee, Mr. SKELTON.

Mr. SKELTON. Mr. Speaker, as chairman of the Armed Services Committee, our purpose is to defend America and American interests, American citizens. And this bill is a good bill. I speak for this rule. I speak for it because this is a balanced rule. On the one hand, it helps protect Americans; on the other hand, it is a balance in favor of the Constitution. We have to keep, of course, those two goals in mind, but keeping in mind the fact that we need good intelligence, and this is a means and the law to allow us to get good intelligence and protect America and American interests.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER pro tempore (Mr. PASTOR). The gentleman is recognized for 3½ minutes.

Mr. HASTINGS of Washington. Mr. Speaker, we have talked a lot about

process here on this very, very important issue. Everybody on both sides of the aisle has talked about the need to make sure that we have the right intelligence, and yet through this process there are a number of questions, I think very legitimate questions, that were raised; because if this rule is adopted, then we will have no opportunity to even vote on the manager's amendment. It will be self-executing.

It seems to me like it is a process by which, because we all know pretty much that rule votes are party votes. So it is like denying anybody an opportunity. If somebody on the other side has some questions about the questions that were raised here, they will be denied the opportunity because you have got to stay with the party and support the rule. Mr. Speaker, I just simply say that is a very, very bad process.

Mr. Speaker, we also need to pass the stand-alone veterans funding bill. It has now been over 150 days since the veterans funding bill was approved by the House. The Senate passed a similar bill and appointed its conferees 2 months ago. Sadly, Democrat leadership in the House has refused to name conferees and instead has chosen to put politics and partisanship ahead of ensuring that our veterans' needs are met.

Once the Democrat leaders appoint conferees, the House can move forward and pass the stand-alone veterans bill. Mr. BOEHNER took a positive historic step in that direction; now Speaker PELOSI must follow. Therefore, I will be asking my colleagues to vote ''no'' on the previous question so that I can amend the rule to allow the House to immediately act to go to conference with the Senate on H.R. 2642, the Military Construction and Veterans Affairs Funding Bill and appoint conferees.

Mr. Speaker, I ask unanimous consent to have the text of the amendment and extraneous material inserted in the RECORD prior to the vote on the previous question.

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

There was no objection.

Mr. HASTINGS of Washington. I urge my colleagues to oppose the previous question and the 42nd, Mr. Speaker, closed rule that we are debating here today.

With that, I yield back the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, for a year and a half, the Intelligence and Judiciary Committees have been working with the administration to craft a bill that will ensure our Nation is protected, without sacrificing American constitutional liberties. Let me just talk about some of the people that have had input into that particular measure. The chairman of the Judiciary Committee, JOHN CONYERS; the chairman of the Select Committee on Intelligence, SILVESTRE REYES; the ranking members of both of those committees, including Mr. HOEKSTRA; all of the members of the Select Committee on Intelligence, including myself; Ms. HARMAN, who serves on Homeland Security.

Countless testimonies during that year and a half, hundreds of discussions and negotiations between the staffs of the respective committees, and a markup of this particular provision that the Republicans brought only two amendments to in the markup in the Select Committee on Intelligence.

We negotiated. We compromised. We reached an agreement. Then the administration backed out of the agreement. So we negotiated some more. We compromised some more. We reached another agreement. We reached agreements until we were blue in the face here in August. Everybody was so tired, and the administration continued to back out of the agreement. Then, less than 24 hours before the bill was supposed to come to the floor in August, the administration reneged on the agreement and refused to work with us to protect the American people.

Last month, Democrats again brought this bill to the floor, and yet again Republicans tried to play politics with the safety of the American people. Just as they did this past summer, Republicans and the administration now seem content on letting the clock run out on the current FISA law rather than working with us to get something done. They choose and chose obstructionism rather than bipartisan cooperation.

Mr. Speaker, the American public needs to know that there are no persons in the United States Congress that do not want to protect the security and liberty of the United States.

So I do not cast aspersions on my colleagues for having a different view as to how administratively we should proceed to protect those securities and liberties, but everybody here is mindful of all of our responsibilities. So the hyperbole is off the chain sometimes when I hear people talk and it is as if we didn't really do substantively what was required of us as individuals on behalf of the American people.

None of us should be ashamed of any of the work that was done with reference to the RESTORE Act. We made a bad bill better. And it is not as good, for example, as I would like for it to be, but it is as good as we are going to get with this administration at this time.

The esteemed chairperson of the Intelligence Committee, Representative REYES, has noted on more than one occasion: You can have your own opinion, but you can't have your own facts.

Mr. Speaker, those are the well-documented facts that I just got through dealing with. The RESTORE Act protects the American people. It protects them at home and on the streets. It protects their safety and the constitutional rights, which have been intact more than 225 years, and no one need fear when the fearmongers come here and try to divide people by having somebody think that undocumented aliens are going to be put in some category. I personally am just tired of the smearing that is being done with reference to immigration in this country. We need a solid immigration policy, and we need a policy that contemplates all of the particulars of that immigration set of circumstances.

Mr. Speaker, this body has the responsibility today to pass this rule and the underlying legislation today. The security of this Nation requires it of all of us, and I believe all of us want that security and liberty. I urge a ''yes'' vote on the previous question and on the rule.

The material previously referred to by Mr. HASTINGS of Washington is as follows:

AMENDMENT TO H. RES. 824 OFFERED BY MR. HASTINGS OF WASHINGTON

At the end of the resolution, add the following:

SEC. 2. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Democratic majority they will say ''the

vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

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

The SPEAKER pro tempore. The question is on ordering the previous question.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Ordering the previous question on House Resolution 825, by the yeas and nays;

Adoption of House Resolution 825, if ordered;

Ordering the previous question on House Resolution 824, by the yeas and nays;

Adoption of House Resolution 824, if ordered.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

PROVIDING FOR CONSIDERATION OF H.R. 3915, MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

The SPEAKER pro tempore. The unfinished business is the vote on ordering the previous question on House Resolution 825, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The vote was taken by electronic device, and there were—yeas 224, nays 195, not voting 13, as follows:

[Roll No. 1109]

YEAS—224

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—195

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Boyda (KS)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Shadegg
Shays
Shimkus
Shuster
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—13

Bono
Carson
Cubin
Doyle
Jindal
Kucinich
Mack
Oberstar
Ruppersberger
Sessions
Simpson
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining.

□ 1136

Mr. GUTIERREZ changed his vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3773, RESTORE ACT OF 2007

The SPEAKER pro tempore. The unfinished business is the vote on ordering the previous question on House Resolution 824, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 221, nays 195, not voting 16, as follows:

[Roll No. 1110]

YEAS—221

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—195

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Shadegg
Shays
Shimkus
Shuster
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Bono
Carson
Cubin
Doyle
Fattah
Jindal
Kaptur
Kucinich
Mack
Oberstar
Ruppersberger
Sessions
Simpson
Space
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there is 1 minute remaining.

□ 1144

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. 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 of Washington. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 224, nays 192, not voting 16, as follows:

[Roll No. 1111]

YEAS—224

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Green, Al
Green, Gene
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller, George
Mitchell
Mollohan
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Wilson (OH)

□ 1150

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3915 and to insert extraneous material.

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

There was no objection.

PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 3915

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 3915 pursuant to House Resolution 825, the Chair may reduce to 2 minutes the minimum time for electronic voting under clause 6 of rule XVIII and clauses 8 and 9 of rule XX.

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

There was no objection.

MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 825 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. 3915.

□ 1153

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. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, with Mr. CARDOZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

We are dealing with legislation today that seeks to prevent a repetition of events that caused one of the most serious financial crises in recent times.

We understand today that we are in a worldwide problem economically, with a terrible shortage of credit, with some institutions threatened. There is no debate about what is the largest single cause of that.

Innovations in the mortgage industry, in themselves good and useful, but conducted in such a completely unregulated manner as to have led to this crisis, I know people have said, well, we may be exaggerating it. Here's what we recently heard from the head of the Blackstone operation:

''The mortgage black hole is, I think, worse than anyone saw. Deeper, darker, scarier. The banks are now looking at new reserves and my sense . . . is they don't have a clear picture of how this will play out.'' That's from one of the leading private sector entities.

What we have today is a bill that cannot undo what happened but makes it much less likely that it will happen in the future.

The fundamental principle of the bill, and many people have lost sight of this, is not to put remedies into place to deal with these problems when they recur, but to stop them from occurring in the first place.

We have had two groups of mortgage originators recently. We have had banks subject to the regulation of the bank regulators, and they've made mortgage loans. And then we have had mortgage loans made by brokers who were subject to no regulation, who had access to pools of money that were not regulated and could sell it to an unregulated secondary market. It is not the case that the brokers are morally inferior to the bankers. In both cases we are talking about people overwhelmingly who are decent and well-intentioned. The difference is the absence of regulation so that pressures to do things that were irresponsible were checked by regulation in the banking area and were left unchecked elsewhere.

Essentially what this bill does in its most important form is to try to conceptualize the rules that bank regulators used to prevent loans from being made that should not have been made and apply them to all loan originators. Again, the goal is not to give more remedies when people face foreclosure when there have been abuses, but to prevent the abuses in the first place.

One question has been raised from some in the Attorney General field and elsewhere who say, what about our current efforts to deal with the people who were abused? Thanks to a very explicit amendment by the gentleman from North Carolina (Mr. WATT) who, along with the gentleman from North Carolina (Mr. MILLER), is one of the main authors of this bill, this bill will be entirely prospective in its effect, and people should understand no cause of action, no legal complaint, no remedy sought against anybody who up until now and until this bill is signed many months in the future, none of those causes of action will be abrogated. Every remedy being pursued against past abuses and even abuses that may yet to have occurred, although we hope they won't, until this bill becomes law will not be stopped.

There is some controversy about preemption. The bill takes a balanced position which has made a lot of people on all sides a little bit unhappy. We do not preempt the right of States to decide how to deal with mortgage originators, with lenders, with any of those. We do say that with regard to the secondary market, we are going to put some liability on those who are the active packagers, and that's in some ways controversial; but we believe the unregulated secondary market was a large part of this problem.

We do believe that you need to have some uniform rules if you are going to have a functioning secondary market. And we believe the secondary market has been on the whole useful but, having been unregulated, has caused some problems. So there is a limited preemption to that extent.

We are continuing to talk with people about ways to, frankly, improve this bill. There will be some amendments adopted today that will do this. It is a subject of great complexity with a lot of interlocking parts and some legitimate competing interests. We have arrived today, we think, at a reasonable balance. We do not believe that this is the way the bill absolutely will look in the end, but it is clear progress. And I want to stress the key point here is not in remedying past abuses. This bill allows all existing remedies for past abuses to stay in effect. This bill tries hard to prevent this pattern of loans being made that should not have been made for a variety of reasons from recurring and causing that great damage.

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

□ 1200

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

Mr. Chairman, I rise in support of this legislation. I believe that it does, in fact, address abusive practices which, unfortunately, are in our mortgage lending market today. I believe it brings some needed oversight to the mortgage industry.

The legislation that we are considering today is the product, and everyone acknowledges this, industry acknowledges it, consumer groups, Members on both sides, the membership has engaged for over 2 years in an attempt to come together to span political differences, philosophical differences, and to address the very serious problem in the housing finance market.

I want to commend the gentleman from Massachusetts. He has allowed us to fully express our opinions. I believe that this long dialogue which we have had has resulted in consensus legislation which, though not perfect, I believe will achieve two very important, very necessary goals. One is to implement reforms that will offer consumers needed protection against predatory lending practices; and two, I believe, and I sincerely believe, that this legislation will preserve working Americans' access to consumer credit.

I believe that the Members most closely involved in the negotiations which led to the manager's amendment sincerely believe we have achieved these goals. We need not let the perfect be an enemy to the good. Members from both sides will address provisions of this bill which they believe do not satisfy the goal I have described above.

I believe the fact that this legislation fully satisfies neither side is an indication that we are in about the right place in achieving a nonpolitical, legislative remedy to address this issue of such great impact to our economy and our families, both now and moving forward.

In closing, let me say it has always been my view that when faced with serious issues like this one impacting millions of families across America, that Congress has both the privilege and the responsibility of rising above partisanship and acting in the public's interest. With this legislation today, I believe we have done just that.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I am very pleased to be able to yield to a member of the committee, who is not only one of the authors of this amendment, but has been a real source of strength to us in dealing with these issues throughout.

I yield the gentleman from North Carolina (Mr. WATT) 4½ minutes.

Mr. WATT. Mr. Chairman, I thank the chairman of the full committee for yielding time, and I thank the ranking member of the full committee who has worked with us and recognized that there is a serious problem that is going on in the real estate area, in the lending area, that must be addressed, and I want to applaud the efforts of the chairman for trying to address this issue in a comprehensive and fair way. And perhaps the greatest testament to the chair of our committee is that we have come up with a bill that perhaps not any single person I know is completely happy with, including me.

This bill started 4 years ago with an initiative by Congressman MILLER from North Carolina and myself, and this was in advance of the escalating foreclosures, the kind of irrational exuberance that was taking place in the real estate market. We saw that this was coming down the road because lending was becoming more available, but it was also becoming more irresponsible because it was viewed as a no-lose proposition. So lenders were making riskier and riskier loans to people who had more and more marginal credit and on terms that were not beneficial to the borrower but were financially beneficial, at least until the foreclosures started, to the lenders.

So the predatory lending part of this bill, which is title III, started out as the base bill to address those concerns that were taking place that were predatory practices, taking advantage of vulnerable borrowers so that lenders could make money. Then the onset of the foreclosures started, and the crisis in the marketplace in general reflected itself, and that has resulted in the addition of titles I and II of this bill, which put a framework around brokers, which creates a framework for responsible secondary market participation around lenders who dealt in prime loans.

Interestingly enough, over time, it is actually titles I and II that have become more controversial than title III, which was the predatory lending part of the bill. We think that the predatory lending part of the bill certainly has struck the best balance, because it is clear that with predatory loans there will be a national standard, but we are not preempting State laws and the States' ability to continue to innovate.

In titles I and II, where we have created a framework for the secondary market, we have preempted some State laws, and we have had trouble finding the right language to do that. We want to do it to create a national secondary market, but we don't want to do it outside the specific requirements that are needed to control the secondary market and make credit available. So there is some angst among a number of us about the preemption language.

As I said at the beginning, maybe the best tribute to all of us is that we have a bill that nobody really is completely comfortable with, and all we can say to all of those people is that we will continue to work on this bill not only after it passes the House today, but throughout the process to reach the more delicate balance and a satisfactory balance that at the end of the day will solve the problems in the marketplace and be satisfactory to all concerned.

Mr. BACHUS. Mr. Chairman, I recognize the gentleman from California (Mr. ROYCE) for 3 minutes to speak in opposition to the bill.

Mr. ROYCE. I thank the gentleman.

I do rise in opposition to this bill and to explain a line of reasoning that the Wall Street Journal and other critics have pointed out on their editorial pages. This proposal, in fact, is a trial lawyer's dream. What this bill does is it, with very murky language, forbids banks for signing up borrowers for what is termed ''overly expensive loans.'' It requires banks to make sure that the consumer has a ''reasonable ability to repay the loan'' and insist that loans must be ''solely in the best interest of the consumer.'' This kind of murky language would invite litigation from every borrower who misses a payment. The Wall Street Journal says that if this bill becomes law, we can expect to read billboards reading, ''Behind on your mortgage? For relief, call 1–800 Sue-Your-Banker.''

For the first time, under this act, banks that securitize mortgages would be made explicitly liable for violations of lending laws. This is a version of secondary liability that holds the bundlers and resellers of mortgages responsible for any mistakes of the original lenders. Now, the reselling of mortgages has been both a boon to the housing liquidity and risk diversification and, therefore, to lower interest rates for all of us that have taken out a loan. So to the extent that the bill adds a new risk element to securitizing subprime loans, and it surely will, the main loser will be the subprime borrower who will pay higher rates if he or she can get a loan at all.

Now, this debate is occurring during a challenging period for our mortgage market. What has transpired over the last few months has spread throughout our capital markets. It has the potential to slow the economy even further if we do this wrong. This bill is the wrong approach.

Now, we have had some signs of self-correction in the mortgage market. Lenders are underwriting mortgages

much more carefully as a result of market discipline. Products which have proven to be unfit for certain borrowers such low-doc loans, short-term hybrid ARMS, interest-only products, those are becoming increasingly hard to find. Those have been pushed out of the market. But the legislation before us today ignores such advances. Not only does this bill fail to account for the progress made in the market, it has the potential to seriously restrict access to credit for millions of Americans looking to purchase a home or refinance their mortgage.

In its present form, a borrower will have the ability to recover all of the principal and interest paid over the entire history of the loan as long as he can convince a court that he didn't have a reasonable ability to pay, as I said. At the time the loan was originated, again, it is not hard to imagine how language such as this is going to be abused and run up the costs of home mortgages for everyone.

Mr. FRANK of Massachusetts. I yield 3 minutes to another Member who had a great input into this, the Chair of the Housing Subcommittee of our committee, the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Thank you, Mr. Chairman. I would like to thank you and MEL WATT, Mr. BACHUS and Mr. MILLER and others who have worked so hard on this bill. It is a very complicated issue. You have done a spectacular job.

I rise in support of the Mortgage Reform and Anti-Predatory Act of 2007. Each month brings figures, new figures, that reinforce the importance of putting in place a Federal legislative and regulatory framework that prevents us from reliving this crisis in the mortgage markets. I have a keen interest in this legislation because of the disproportionate impact of the foreclosure wave on my home State. California's third quarter foreclosure rate of one foreclosure filing for every 88 households ranked second highest in all States and reflects a near quadrupling of the number reported for the same period last year. Five of the top 10 metropolitan areas in foreclosure filings are in California.

Clearly, we need to prevent the now widespread practice of getting people into loans they simply can't afford. H.R. 3915 takes critical steps in this respect, including, for the first time, imposing a Federal duty of care on all mortgage originators and setting minimum Federal standards on all mortgages. Anchoring the bill's approach are newly established minimum standards regarding the borrower's ability to repay and net tangible benefit to the consumer. This is a sound strategy given that federally regulated mortgage originators have long had to meet similar benchmarks, and not coincidentally, we have seen few problems in that sector of the market.

H.R. 3915 also seeks to reduce the incentives to market inappropriate credit products to borrowers. I am particularly pleased that H.R. 3915, again for the first time, removes the most destructive of such incentives, severing the link between the compensation of the originator and the terms of the loan. Minority borrowers have been disproportionately steered to costly loans, in part because the fees such loans generate for originators are higher than more appropriate products. H.R. 3915 correctly prohibits this practice outright.

I am proud to have been an operational cosponsor of this very ambitious legislation, and I urge my colleagues to support this passage today. However, I would not be telling the truth if I said I lacked any concerns about the potential impact of our ambition over time. Mr. Chairman, I certainly want to thank you, Ranking Member BACHUS, Mr. WATT and others for your diligent work in the manager's amendment to address one such concern that I raised during the Financial Services Committee markup of the bill, namely, the extent to which the assignee liability and remedies this bill creates should preempt State law.

□ 1215

We want to make sure that consumers are protected to the greatest extent possible. Historically, many of these protections have been initiated by States, especially in the subprime market.

With that, I would like to conclude. I would like to be clear that this groundbreaking bill should be passed today, and I urge my colleagues to vote for H.R. 3915.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING), who rises in opposition to the bill.

Mr. HENSARLING. I thank the gentleman for yielding.

Mr. Chairman, I do rise in opposition to what I conclude to be a bad bill for homeowners in America. I do want to acknowledge, though, the efforts of the ranking member to take a bad bill and turn it into a less bad bill. There is no doubt that this Nation faces a great challenge in the subprime market, no doubt about it at all. I am convinced, though, that this piece of legislation is going to make it worse, make the situation worse, and not make it better.

The first thing we need to remember as legislators is first do no harm. What should Congress do to make sure this doesn't happen again? Clearly, there has to be enforcement. There's no doubt that fraud has taken place within the subprime market. But we also need effective disclosure so that consumers know the types of transactions in which they are entering. We need greater financial literacy. I agree, yes, that there must be mortgage broker registration. But what Congress should not do is essentially outlaw the American Dream for many struggling families who may be of low income, who may have checkered credit pasts. By bootstrapping more, more mortgage transactions into the HOEPA standard, that is what this bill does.

Also, by having assignee liability with all these amorphous legal doctrines and phrases that no one understands, you will drive investment away from the secondary market at exactly the time when it is needed more. As the market has perhaps even overcorrected, we need more liquidity. This bill takes us to less liquidity.

I heard from one of my constituents recently from Forney, Texas, a lady by the name of Connie Taylor. She wrote me and said: "If it hadn't been for subprime lending, I wouldn't have my house now. My credit was destroyed because of divorce. I worked hard for 5 years to clean up that credit."

Mr. Chairman, we shouldn't take away homeowner opportunity from Ms. Taylor in Forney, Texas, and all the other millions of people who may have checkered credit pasts. Because of that, I urge that we defeat this legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to another member of the committee, the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. Chairman, this is an important and urgent and critical bill. All across this Nation, families are struggling and suffering. In my own district of Georgia and in one of my major counties, which is Clayton County, which is one of the leading counties that has had over a 200 percent increase in foreclosures of homes, they have lost over $158 million in terms of their home equity.

Now, Mr. Chairman, the speaker just spoke a moment ago about one of the major features of this bill, and that is trying to grapple with assigning liability. I want to just make sure that everybody understands what we are talking about, because we are going to have that debate. Just what is an assignee? An assignee is a mortgage broker or lender, any loan originator that makes these loans but they don't keep them. They repackage these loans. They often are loans that are delivered to the secondary market to a group of investors and these are parties that own an interest in the loan as it flows through the investment process, and they are known as assignees.

Since these loan originators don't keep the loans they make, they often deliver what the secondary market will buy, with little regard for whether the homeowners can make their payments or afford these loans. Unfortunately, many of them get into these loans on what is known as "teaser rates." They put forward a loan at a very low rate but, unbeknownst to the homeowner, in a short period of time the payment balloons out of kilter and the homeowner cannot afford it. Some people say this is not by design. But in so many cases, they are by design.

So what does that consumer have? He must have some recourse by which to have an ability to stop the foreclosure on his home. That victim has to hire

legal counsel to bring separate action against the loan originator. This bill attempts to address that. An assignee liability is an important feature of this measure.

Mr. BACHUS. Mr. Chairman, at this time I yield 2 minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. I thank the gentleman for yielding.

Mr. Chairman, I have a lot of faith in the American people. I believe that, given the proper tools, they can best decide how to spend their money. I also believe they can best determine how to borrow money, just as lenders can best determine who should be lent money. In other words, I trust free choice in the free market. Businesses should be able to take risks just as consumers should be able to. With these risks, come consequences.

However, I understand we have a major problem on our hands, a problem that has spread far beyond the housing market to the heart of the American economy. Some homeowners are struggling to make mortgages they can't afford and financial institutions are stuck holding mortgages that probably will not be repaid. But to say all subprime mortgages are bad is an incorrect conclusion.

Unfortunately, this legislation, Mr. Chairman, will not help those who today are in danger of losing their homes, and it will certainly not help the availability of credit for those purchasing homes in the future. This legislation will not add confidence to the credit market and will not help our housing market find its footing.

I was a small business owner in another life, and I understand when we make certain types of loans cost-prohibitive by adding burdensome regulation or liability, all those loans will simply stop being made. When we ban compensation for certain types of loans, the originators have no reason to make them, especially when they are now subject again to these new regulations and liabilities.

Rather than ensuring this market works smoothly through increased oversight and transparency, we are effectively legislating these loans out of existence and further tightening our credit markets. It is not a good thing for our housing market, our economy, or the free choice of our homeowners.

Unfortunately, Mr. Chairman, I must oppose H.R. 3915, and I urge my colleagues to do the same.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to another member of the committee who has been very active in this issue, the gentleman from Minnesota (Mr. ELLISON).

Mr. ELLISON. First of all, let me thank the gentleman from Massachusetts for leading this important debate in our country. No doubt, the American Dream has always been homeownership and yet, with exploding ARMs, with prepayment penalty and other such exotic products, that dream of homeownership has become an American nightmare.

Mr. Chairman, I'd love to be able to take every Member of this body through a tour of north Minneapolis. There are blocks on my community where every other house is boarded and vacant. The fact is that for the people who have made every single mortgage payment, and never late, they suffer because of this crisis because their home values have been dropping and plummeting.

We have seen our cities suffer, we have seen communities become unattractive nuisances, which were once vibrant places where people owned their own homes and did well. It's not because the market worked right; it's because it worked wrong. It's because of defective financial products, defective financial products which are addressed in this bill.

It's important to understand that this bill is not designed to harm the subprime market. It's designed to reform and correct it and make it work properly, Mr. Chairman. The fact is that it does not help any homeowner who gets into a 227 with a prepayment penalty, who eventually can't pay the mortgage after it explodes in their face and then lose their home. We are not better off because of something that happens like that. That is what this bill is here to stop.

So, Mr. Chairman, let me say that this is an important part of making the American Dream come true for middle-class Americans, making sure that when they buy a home, they can actually keep that home and that it will be a product that can enhance themselves and their families and the communities they come from.

Mr. BACHUS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. I thank the gentleman for yielding.

Mr. Chairman, I would like to thank Chairman FRANK and Ranking Member BACHUS for working with Members from both sides of the aisle to craft legislation to help consumers secure sound mortgages and shine a light on the mortgage practices from day one of the home-buying process. I would also like to associate myself with the remarks of our distinguished ranking member, Mr. BACHUS, and add just a few points.

First, I would like to thank Chairman FRANK for adding two of my bills to the underlying legislation, H.R. 3019, the Expand and Preserve Homeownership Through Counseling Act, which has become title IV of the bill; and H.R. 3017, the Stop Mortgage Fraud Act, which has become section 212 of the bill.

Why are these important? Well, first, for so many, the problems out there could have been avoided through one simple thing: housing counseling. If consumers understand what they are getting into before signing on the dotted line for a mortgage, they would be armed with the ability to make better decisions about a mortgage. Title IV elevates housing counseling within HUD, and the Office of Housing Counseling will expand HUD's capacity to offer grants to States and local agency.

The language also tasks HUD with conducting a study on defaults and foreclosures and launching a national housing outreach campaign so that consumers know where to find a legitimate HUD-certified counselor. They can get the help they need now to buy and keep their homes.

Second, section 212 of the bill authorizes additional funds for the FBI investigators and Justice Department prosecutors to crack down on mortgage fraud. It's no secret that organized crime gangs, many operating in Chicago, have discovered a more lucrative business than drugs. Mortgage fraud scam artists inflate appraisals, flip properties, and lie about information, such as income and identity on loan applications.

Finally, as a former real estate attorney, I know that any mortgage legislation reform should first aim to do no harm. By that, I mean five basic pieces. First, it should preserve access to credit and homeownership opportunities for qualified low- and middle-income borrows; second, facilitate transparency in the mortgage market; third, create a level playing field; fourth, promote strong underwriting standard; and, fifth, foster competition.

Achieving these objectives is critical for both primary and secondary mortgage market participants, from homeowners to investors. Has the bill under consideration fully realized these goals? I would say we have come a long way on mortgage reform, but our work is not finished. Today, several Members will offer amendments to improve the bill: the manager's amendment offered by Mr. FRANK and Mr. BACHUS, and additional amendments by Ms. GINNY BROWN-WAITE, Mr. GARRETT, Mr. HENSARLING, Mr. MCHENRY, Mr. GARY MILLER, and Mr. PRICE. I urge my colleagues to support these amendments. I would like to particularly thank Mr. KANJORSKI for working with me on H.R. 3537, which we will offer as an amendment today.

It's important for future American homeowners and our economy that we put political agendas aside and get this right. Too much action and we worsen the problem; too little action and we allow it to happen again.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), chairman of the Subcommittee on Financial Institutions of the Committee on Financial Services.

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. I thank Chairman FRANK and my colleagues, Congressmen WATT and MILLER, from the great State of North Carolina, who passed legislation in the

State legislature first and helped build a strong bipartisan bill in our committee that passed with a strong vote of 45–19. The economic crisis we are facing is no longer just a subprime crisis, but a credit crisis. Subprime losses are mounting and the economic pain is being felt in communities across this country, as the ripple of foreclosures spreads to neighborhoods and local economies. Economists estimate that between 2 million and 5 million families could lose their homes by the end of 2008, more than the number of families that lost their homes during the Great Depression.

Democrats are working hard to help families stay in their homes and prevent another crisis like this from happening in the future. I submit for the RECORD a list of legislative actions and other actions that Democrats in Congress have passed to help families stay in their homes. With this bill, we take the first step towards reforms for the future. The bill would bring mortgage brokers who are currently regulated on a state-by-state basis under a nationwide licensing registry, establish minimum standards for home loans, and expand certain limits on high-cost mortgages.

□ 1230

It also would prohibit brokers from steering consumers to mortgages they are unlikely to be able to repay. It changes the incentives for all market participants.

The bill would also establish some legal liability for securitizers, but it also provides some liability protection to those companies if they meet certain due diligence requirements in reviewing the loans they are packaging. Any legislation on this issue must strike a very delicate balance that provides consumer protections without unnecessarily limiting the availability of loans to creditworthy borrowers.

I congratulate the chairman for coming forward with a well-balanced bill on a very difficult subject that is incredibly important. I urge my colleagues, we must pass this bill.

Tackling the problem of subprime mortgage reform is like slaying the many-headed Hydra of Greek mythology—unless you go about it the right way, for each head you chop off, two more vicious ones will grow in its place.

I congratulate Chairman FRANK for producing an ambitious and comprehensive bill that deals with many key aspects of this difficult issue.

It is a comprehensive and sweeping reform of the mortgage industry that would require all actors in the mortgage market to operate with the kind of accountability and regard for the consumer's best interest that the best mortgage lenders have always observed.

In this respect, the bill tracks the comments of Federal Reserve Chairman Ben Bernanke, who said in testimony before the JEC that limited and clearly defined assignee liability could prove beneficial.

To do this, the bill preempts State laws in the section dealing with securitizers, reflecting the concern that differing State laws would interfere with oversight of a national market. But it leaves States free to regulate in other areas where States have traditionally led the way in consumer protection for their citizens.

This is a well-balanced bill and I urge my colleagues to support it.

DEMOCRATS IN CONGRESS ARE WORKING TO HELP FAMILIES STAY IN THEIR HOMES

We need to act quickly to stem the tide of foreclosures that could ruin families, communities, and the economy.

The House has passed legislation to enable the FHA to serve more subprime borrowers at affordable rates and terms, attract borrowers who have turned to predatory loans in recent years, and offer refinancing to homeowners struggling to meet their mortgage payments.

Fannie Mae and Freddie Mac are providing much needed liquidity in the prime market right now. We passed a GSE reform bill in the House, but we should also raise the cap on these entities portfolio limits, at least temporarily, and direct all of those funds to help borrowers who are stuck in risky adjustable rate mortgages refinance to safer mortgages.

To make servicers more able to engage in workouts with strapped borrowers, we pushed FASB to clarify what its Standard 140 allows for modification of a loan when default is reasonably foreseeable, not just after default.

Congress should eliminate the cruel anomaly under Chapter 13 of the Bankruptcy Code which allows judges to modify mortgages on a borrower's vacation home or investment property, but not the home they actually live in. This allows families to stay in their home while new loan terms are worked out.

I think we should also eliminate the tax on debt forgiveness, sparing families the double-whammy of paying taxes on the lost value of their homes.

DEMOCRATS IN CONGRESS ARE WORKING TO PREVENT ANOTHER CRISIS

Our regulatory system is in serious need of renovation to catch up to the financial innovation that has surpassed our ability to protect consumers and hold institutions accountable.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. NEUGEBAUER) to speak in opposition to the bill.

Mr. NEUGEBAUER. Mr. Chairman, I do rise in opposition to this legislation, not because of the spirit of compromise and bipartisanship that was used to come to this conclusion, but because of a philosophical difference. I believe that when markets have their ups and downs that it is better for the Federal Government not to try to intervene in those market cycles, so I think it is better to have better information than to have regulation when it comes to the issue of subprime mortgages.

I have a little bit of experience in the mortgage business in that I was a mortgage originator. I was a homebuilder. I have sold and bought loans in the secondary market and I have owned a home and borrowed money on many mortgages. What I know is the system has worked, and we have record homeownership here in America today because we have had one of the most efficient mortgage markets in the world.

But what I do know is an important part of that transaction is that everybody in the transaction understands what the nature of the transaction is.

That is the reason I worked in a bipartisan way with the chairman and ranking member, along with my colleagues Mr. GREEN and Mr. MCHENRY, to make sure that we had a better disclosure piece of information for borrowers to look at, a universal box, if you would, that would allow borrowers to understand all of the terms and conditions of this mortgage and to be able to compare that out in the marketplace. Because what we do know is there is a lot of opportunities for people to get mortgages in this country today, or have been up to this point. What we want to make sure, Mr. Chairman, is in the future that they have that. But when they do take out that mortgage, they have the ability to look at the loan terms, the prepayment penalty, does this loan rate vary, and, if it does, what are the implications to that borrower. Because I believe, as one of my colleagues said earlier, the American people have the ability to make good choices when they are given good information.

So, I am pleased that in this particular piece of legislation there is a disclosure box that will help our consumers do a better job of making that decision in the future.

What I am disappointed in, Mr. Chairman, is the fact that we are going to, I think, put some very restrictive regulation on a market that may limit the ability for people to actually use that disclosure information in the future.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois (Ms. BEAN), another hardworking member of the committee.

Ms. BEAN. Mr. Chairman, I rise to urge support of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007. As an original cosponsor, I commend Chairman FRANK and Ranking Member BACHUS for how they have drafted and brought this bill to the floor. It reflects highly on the deliberative and bipartisan nature of the Financial Services Committee I serve on.

This is one of the most important and balanced bills we have worked on this year, because Americans' homes are central to their lives. Families save and sacrifice to come up with a down payment towards the most significant and personal investment they will ever make. They raise their families, they dream their American Dreams, and they look forward to a retirement secured by the equity they have established. When house prices fall, when access to credit tightens, those dreams are threatened, and, for some, those dreams are destroyed by foreclosure.

When talking with constituents in my district about the current mortgage market, some are having difficulty making their monthly payments. Most are concerned with being able to sell their home when looking to move. All agree that we need better

consumer protections, simpler disclosures, and greater market certainty. This bill does that.

I am pleased that the bill before us includes provisions from my bill, H.R. 3894, the Negative Amortization Mortgage Loan Transparency Act, which will make sure that all borrowers are aware of the impact a loan with negative amortization has by, number one, making sure that it is indicated that it is in the loan; two, a description of what that means, in that it can increase the outstanding principal balance and reduce the borrower's equity in their home; and, third, for first-time subprime borrowers who select this type of loan, they will be required to meet with a HUD-certified credit counselor.

This bill balances access to credit with necessary oversight and industry accountability to ensure renewed investor confidence and make sure that more Americans have access to the American Dream, but they have access to it for the long term. I urge my colleagues to support this bipartisan bill.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. I thank the gentleman for the time. I rise today in support of this bill.

My home State of Ohio has, unfortunately, become the poster child for the mortgage crisis nationally. During the third quarter of 2007, each of Ohio's six largest cities were among the top 30 nationally for foreclosure rates. In Cleveland alone, one of 57 households filed for foreclosure during this quarter.

So while our economy may be recovering from the impact of both the housing slump and the resulting credit crisis, and some places faster than others, it is imperative that we don't impede this recovery; that in our efforts to help the countless consumers and homeowners who have been hit hardest, we don't place the prospects of homeownership and refinancing out of the reach of families financially capable of managing it.

This bill balances that difficult task, and it has happened in an open, bipartisan process of negotiation. Along with the bill offered by Mr. KANJORSKI, this bill adds regulation to the unregulated and restricts predatory products from the marketplace: adjustable rate mortgages with high prepayment penalties, no-doc or low-doc loans, teaser rates that reset only months after initialization, loans without escrows for the most likely to need them.

This bill not only helps do away with these predatory products, but it empowers consumers with the most important tool of all, information. It is stunning to think that more than three in 10 homeowners don't even know what kind of mortgage they have. This bill improves disclosure at the point of sale, and the manager's amendment requires disclosure on periodic billing statements. It is important that people understand what they are getting into and are reminded of it on a regular basis.

On the floor today, we will hear countless stories of heartache and heartbreak of families devastated by the rising foreclosure rates, of Americans losing their claim to the American Dream. This bill can correct that.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. PRICE) who speaks in opposition to the bill.

Mr. PRICE of Georgia. I thank my ranking member for yielding me this time.

I rise in opposition to this legislation, legislation that prompted the Wall Street Journal to say that this bill is essentially a ''Sarbanes-Oxley for housing, an attempt to punish business in general for the excesses of an unscrupulous few.''

Now, while the chairman and ranking member and other members of the staff have done really remarkable work to address some of the most problematic provisions, this legislation still raises serious concerns about the future access to credit. I believe that this bill will lower homeownership. It will harm the American Dream.

A good number of the new duties and requirements which this legislation imposes on loan originators are both vague and highly subject. Words like ''reasonable ability to pay'' and ''net tangible benefit,'' these are required of lenders. This is greater regulation, and, as my friend from Texas said, greater regulation means less liquidity. That means not as much money in the market. That means fewer individuals able to buy homes.

Dr. Ronald Utt with the Heritage Foundation says, ''This provision effectively deputizes the mortgage industry as a quality of life police force by requiring them to pass judgment upon what it exactly is that a borrower intends to do with any additional moneys required by the way of loan refinancing.'' This creates increased litigation.

In fact, when H.R. 3915 was being marked up in committee, I asked him, the chairman himself, if there was a disagreement between the lender and the borrower about whether something achieved a net tangible benefit, where would that disagreement be settled, and he said, ''Like any disagreements in this country, they go to court.''

The legislation also creates a new civil action for rescission, the ability to get all of one's money back. Clearly the result of this will be less availability of money to buy a house for all, but mostly for those at the lower end of the economic spectrum.

Now, there are alternatives. There are positive alternatives: increasing financial literacy, greater flexibility in refinancing, and greater penalties for fraud. And I hope as this process moves forward that we will be able to incorporate those things in a stand-alone bill that increases the ability to achieve the American Dream.

Mr. BACHUS. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. MILLER) to speak in support of the bill.

Mr. GARY G. MILLER of California. Mr. Chairman, I rise in support, but I want to express some concerns I have with the bill.

I have been a long-time advocate of antipredatory legislation that will eliminate abusive lending practices while preserving and promoting access to affordable mortgage credit. I want to thank Chairman FRANK for holding true to his commitment to work with me on ensuring that section 123 of the bill will continue to give consumers viable financing options that would not prevent mortgage originators from being compensated.

Under the new language, consumers will continue to be able to obtain and enjoy the benefits derived from having the option to choose zero points or no-cost loans by financing the fees and their costs into the rate of the loan amount. I am also pleased that the mechanism by which the mortgage originators are compensated in such cases has been unaffected.

According to the Mortgage Bankers Association, currently there are slightly more than 6 million nonprime loans. Of these loans, a little over 5 million, or 85 percent of these loans, are basically being paid on time. Yet, according to the MBA, under the legislation, perhaps 50 percent of the nonprime loans would not be made. This means that a significant number of consumers would not be receiving mortgage financing and millions of legitimate loans would not be obtained.

While there is certainly no question that nonprime borrowers have been subjected to abusive lending practices over the years, there is also no question that the vast number of borrowers who were not victims of such practices can become victimized by poorly crafted protective legislation that restricts nonprime credit availability.

Under this bill, it significantly expands the scope of loans that qualify as ''high-cost loans,'' or HOEPA loans. This section of the bill dramatically lowers the point fee calculations, thereby capturing a much larger number of loans than under the previous definition in current law. The expansion of HOEPA to cover the additional loans would provide access to credit to more nonprime borrowers.

During the markup, I attempted to amend this section to ensure that lenders would still provide and borrowers could still obtain HOEPA loans under this bill. My amendment would not have revised the substantive protection provided by HOEPA as amended. Rather, it would have limited the increase in the number of types of loans that are subject to HOEPA.

In addition, the provisions of title III were drafted at least a year before the drafting of titles I and II of this bill, and title III was written without the benefit of enhanced consumer protection provided to nonprime borrowers

under the other sections of the bill. I am concerned that the three titles have been joined into a single bill without the respective provisions being synchronized.

By expanding the scope of loans covered by HOEPA, we will further limit liquidity and drastically shrink the availability of mortgage credit. In fact, under current law, the liability and penalties extended to HOEPA loans have made creditors reluctant to make these loans.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GARY G. MILLER of California. I yield to the gentleman from Massachusetts.

□ 1245

Mr. FRANK of Massachusetts. I thank the gentleman for yielding.

The gentleman from California and the gentleman from North Carolina, who is a prime sponsor of this, have been in conversations.

Mr. GARY G. MILLER of California. That is correct.

Mr. FRANK of Massachusetts. And I believe it is possible to achieve both objectives, that is, flexibility as to mode but the full substantive protection. And so going forward, as this bill moves on and ultimately we get to conference, I do think we can provide flexibility as to method while preserving the full substantive protections. And there will be conversations between the Miller brothers on that subject.

Mr. GARY G. MILLER of California. I thank the chairman. Mr. MILLER and I have discussed this in the last several days, and I know there was not time to deal with this issue effectively prior to it reaching the floor. I have had extended conversations with many Members on your side of the aisle who support the concept I am trying to move forward.

I look forward to working with you before this bill comes back through conference.

Mr. FRANK of Massachusetts. I now yield to another member of the subcommittee who has been very much involved, particularly in the area of manufactured housing, as well as others, the gentleman from Indiana (Mr. DONNELLY).

Mr. DONNELLY. Mr. Chairman, I rise in support of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act. My home State of Indiana has been one of the hardest hit by foreclosures. We rank well above the national average with 3 percent of our loans in foreclosure.

Subprime loans, which have affected many of our Nation's families, account for nearly half of our States' foreclosures. Earlier this year, it was reported in various parts of our area, 18 percent of all subprime loans were past due. We know all too well how the subprime fallout is weighing down our economy and spreading to others. We must act now.

I want to thank Chairman FRANK, my colleagues on the Committee on Financial Services, Mr. WATT and Mr. MILLER, for working with consumer groups and industry representatives alike to produce a good bill that will ensure American families have access to responsible and affordable mortgage options while improving the health of the marketplace. I urge my colleagues to vote in support of H.R. 3915.

Mr. BACHUS. Mr. Chairman, may I inquire as to the remaining time.

The CHAIRMAN. Both sides have 8 minutes remaining.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. ROSKAM) to speak in opposition to the bill.

Mr. ROSKAM. I thank the gentleman for yielding.

Like many others, I very much appreciate the tone and the effort of the chairman and the ranking member to come to terms with a very difficult problem that is facing our country, and that is the subprime mortgage crisis and the ripple effect, the profound ripple effect it is having throughout the economy.

My sense, though, is that while there are some very good elements in the bill, I appreciate the fact that it is prospective, I appreciate the fact that it is not a bailout, and I appreciate the fact that its focus is limited to subprime mortgages and not prime mortgages, there is an element that is of enough concern to me to come to the floor and bring it to the House's attention.

I am not unique in bringing it to the House's attention, but I urge a real sense of caution, and I think we can do slightly better, and that is the ambiguity of some of the phrases and definitions in the bill. The gentleman from Georgia referenced these in his remarks.

But when regulatory language, as this is, has words like ''appropriate'' without further definition; ''ability to repay'' without further definition; and ''net tangible benefit'' without further definition, I think it is a weakness in the bill, and I think it is a fatal flaw in the bill.

My hope is that these ambiguities will be cleaned up. I am not one that says we necessarily need to yield this turf to the regulators. I think we as Members of Congress have that ability and that responsibility to define these terms. Because if we don't, I think what will happen is that capital that is currently available to subprime borrowers will become unavailable to some subprime borrowers.

There is language that creates the purported safe harbor in the bill, but it is a safe harbor that does not end with a period at the end of the sentence, essentially. It is a safe harbor that has a comma at the end and is simply a rebuttable presumption. So safe harbors are mostly safe, but not entirely safe.

I think Americans like to be governed with a light touch and not a heavy hand, and I hope that we can revisit this bill when it may come back from the other body.

Mr. FRANK of Massachusetts. Mr. Chairman, I now yield to another member of the committee who has been active on this issue, the gentleman from Connecticut (Mr. MURPHY), for 2 minutes.

Mr. MURPHY of Connecticut. I thank the gentleman for yielding.

I thank Chairman MILLER and Mr. WATT for their leadership in bringing this bill through the committee. I want to draw attention to one provision of the bill and underscore the importance of the provisions here that prohibit steering of borrowers into higher-cost mortgages than they would otherwise qualify for.

This mirrors legislation that I introduced earlier this year, H.R. 3813, the Mortgage Kickback Prevention Act. The bill before us prevents mortgage originators from inappropriately steering consumers into higher-cost loans than they would otherwise qualify for.

This is a commonsense measure, and it is made more reasonable by the restriction to apply this only to subprime loans. To me and my constituents, it is pretty simple. Brokers and mortgage originators shouldn't have an incentive to put borrowers into more expensive loans than they would otherwise qualify for.

Frankly, as we move forward, I think it is important to understand that disclosure doesn't do the entire trick here. Most borrowers have no idea what it means when their broker discloses that they are going to pay a yield-spread premium amidst the mountains of paperwork that you are required to fill out for a residential mortgage. For these borrowers who have the least amount of leverage in the process, we need to have some clear lines. This bill does that.

That is why it makes sense to simply say the brokers and originators cannot inappropriately put borrowers into loans they otherwise would not qualify for. This Congress has responsibility, as we are doing today, to reset the rules.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MURPHY of Connecticut. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. The gentleman has been very tough on this issue, appropriately, and he is right.

Some people can read ambiguity into 2 plus 2, and we will deal with that. We are lawyers. We are into redundancy. So in the colloquy I will be having with the gentleman from North Carolina (Mr. MILLER) we will reaffirm the point that the gentleman from Connecticut is making. I guarantee that by the time this bill comes out of conference, no one will be able to raise any doubt about the prohibition on anybody being compensated for costing the consumer more.

Mr. MURPHY of Connecticut. I thank the gentleman for that. He has been very strong on this from the beginning. This prohibition on steering is

a small, but very important, piece of the puzzle of solving the problem of the subprime crisis and making sure that it doesn't occur again in the future.

Mr. BACHUS. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. MCHENRY) to speak in opposition to the bill.

Mr. MCHENRY. I thank the ranking member for yielding time, and I appreciate his leadership and friendship on the committee. He has worked very hard on this issue, as has the whole committee. But we have come to different conclusions on this.

I think there are some admirable parts of this legislation. In particular, the addition that the ranking member was able to make in consultation with the chairman on licensing of mortgage brokers. I think that is helpful and positive and makes consumers more aware of people they are dealing with.

I also believe the Green-McHenry-Neugebauer amendment that we were able to put in place in the committee is very help to the marketplace. It gives borrowers more understanding of the financial product they are about to take part in, the financial transaction they are about to take part of in. I think informed consumers are better off than uninformed consumers. Financial literacy is key; and, therefore, the process of counseling which is within this bill is helpful.

But in the end, this is about homeownership. It is about the opportunity for families to get a home of their choosing. It is about families making a financial decision for themselves, not Washington, D.C. telling them what products they can and cannot get. Unfortunately, that is what this bill does.

This bill will limit homeownership and limit the opportunities that families have by limiting the mortgage choices in the private sector and in the marketplace.

Furthermore, it does nothing to fix the current crisis we are in. Let me repeat that: this bill will do nothing to fix the current mortgage crisis we are facing. In fact, rather, it will deepen the crisis we are facing by limiting people's opportunities to refinance or finance their home.

Let me give you a couple of examples. This bill I believe will encourage more litigation and have a chilling effect on the secondary markets. Therefore, less money will be available for people to get mortgages.

Second, it will limit the loan terms available. In fact, it limits the ability for people to finance the points and fees and closing costs of many mortgage products and bans prepayment penalties.

So, in essence, if somebody currently has a prepayment penalty in their mortgage that they have and they seek refinancing, they will be unable to finance that prepayment penalty that they currently have, thereby locking them into a cycle of debt and foreclosure.

I believe this bill is harmful to long-term homeownership in America that is at an all-time high. I think what we should be doing is encouraging homeownership in this country and making more opportunities available to get the credit that they need in order to get a home for their families.

So I oppose this bill on very simple grounds: that it will limit homeownership and limit the opportunities and options that Americans have. With that, I encourage my colleagues to vote ''no'' on this bill and help homeownership in America.

Mr. FRANK of Massachusetts. Mr. Chairman, I now yield to a man who is going to have a lot of free time after today because much of his life in the last year has been helping put this bill together in a very masterful way, the gentleman from North Carolina (Mr. MILLER), for 4 minutes.

Mr. MILLER of North Carolina. I dearly wish that this bill was the one being described by so many people on the other side of the aisle. That sounds like a really tough bill. And this bill, I hope, will become tougher as we go along.

I agree with many over there who said that they support the idea of homeownership and want to make sure that there is a mortgage market that lets people buy homes.

Mr. Chairman, the mortgages we are talking about have nothing to do with homeownership. According to the mortgage bankers themselves, who oppose this bill, 72 percent of subprime loans are refinances, not purchase money mortgages. And only about one in 10 subprime loans is to buy a first home. Lehman Brothers says that 30 percent of the subprime loans entered last year will result in final foreclosure, a family being turned out on the streets by a sheriff because their home was sold at a foreclosure auction at the steps of the courthouse.

Do the math. One subprime loan in 10 helps people buy a home, a first home, get into homeownership. Thirty percent will result in foreclosure. The loans that we need to get at, we need to prohibit, are costing Americans homeownership, not helping with homeownership.

Now, several speakers have said that they think the consumers should make choices, there should be a variety of choices available to consumers. Sometimes they say this bill will shut down market innovation. Well, Americans are for innovation, Mr. Chairman, just as they are for reform. Americans are fundamentally reformers so politicians have figured out to call everything they do a ''reform,'' however obviously contrary to the public interest it is. And now American business has learned to call everything they do an ''innovation,'' regardless of how bad it hurts consumers.

I can think of many wonderful innovations. When we think of an innovation, we think of a scientist in a lab coat coming up with new products.

Mr. Chairman, I am now the age my father was when he died of a heart attack in 1965. There wasn't a thing we could do to help people with heart disease in 1965. But I am on a cholesterol medicine because I inherited from my father high cholesterol that I hope will allow me to outlive my father. I think that drug is an important innovation, and I am glad we made that innovation.

Mr. Chairman, this necktie is an innovation. Ten years ago, you could not buy a silk necktie that was stain resistant. And for those folks like me who tend to miss their mouth from time to time, the cost in new neckties in any given year was hundreds of dollars. But this tie has a nanotechnology process that causes liquids to bead up and roll off rather than soak in and stain. This necktie is an important innovation to me.

But what on Earth do we mean when we say that a mortgage is innovative? It means simply that there is no end to the variety of terms, there is a proliferation of indecipherable terms that are not designed to help consumers.

Alan Greenspan called them ''exotic loans.'' Others have called them ''toxic loans.'' The innovation is not really about allowing consumers to tailor narrowly the loan they get to their specific circumstances. The late Ned Gramlich, a well-regarded former Federal Reserve Board governor, asked why was it that the riskiest loans were being sold to the least sophisticated consumers. It was a rhetorical question. He knew the answer. He knew those loans were being sold to people to take advantage of them, to separate from middle-class homeowners more and more of the equity in their home, to trap them in a cycle of having to borrow and borrow again, and every time they borrowed, losing more of the equity in their homes.

Some of the other speakers have talked about the importance of refinancing out. Mr. Chairman, a mortgage system where people have to borrow money to pay off the mortgage they are in now is not a mortgage system that works.

Mr. BACHUS. Mr. Chairman, at this time I recognize the gentlewoman from West Virginia (Mrs. CAPITO) for 3 minutes.

□ 1300

Mrs. CAPITO. I would like to thank the gentleman from Alabama for recognizing me and yielding me the time, and I greatly appreciate the leadership of the chairman and ranking member on the Committee of Financial Services for bringing this important legislation before the House today.

The legislation before us is a bipartisan response to a problem that is affecting every congressional district across this Nation, the rising number of foreclosures and a large number of impending alternative mortgage resets, combined with a large number of delinquencies in mortgage payments. It is very important for Members to look at this legislation in its entirety.

When combined on the whole, the components of this legislation will provide consumers with the necessary tools and protections to hopefully avoid another housing crisis like we are experiencing, but also realize the importance of not clamping down so hard, and we have heard some folks express concern about this, that we still have the innovations and we still have the ability of subprime mortgages for those who are now living because of the benefits that subprime benefits allows them.

In this bill, we require the registration of all originators under a national registry will be established by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators. These new licensing requirements, coupled with the national registry, will make it much more difficult for fraudulent originators to bounce from State to State. This is a problem my State of West Virginia has expressed concern about.

Another component that Mrs. BIGGERT talked about in her statement is to provide consumers with greater access to housing counseling. The availability of counseling will help individuals learn and understand the complicated financial disclosures, all of the paperwork and technical languages that come along with securing and purchasing a mortgage.

Another important reform that was adopted during our committee markup is the inclusion of a one-page estimate outlining the total cost and potential changes in the cost for the consumer over the life of the mortgage product. I have been lucky enough to be a homeowner, and I know when we go in to close at the time to secure our mortgage, the amount of paper and signatures that you have to go through to try to figure out what you are doing is very intimidating. So to have this one-page disclosure I think gives the consumer the ability to have this information right in front of them so they can know what they are getting into and making this process easier.

This legislation also provides more certainty and clarity for the liability of the entities that purchase mortgages on the secondary market.

I would like to particularly thank the chairman of the committee for helping me work through the technicalities of this language to explain to my local newspaper and my local consumer advocates what this language means in the bill. We live in a national economy and must recognize the need for consistency across the board.

In addition to the bipartisan underlying legislation, we will also be considering I think a very important addition to this bill, an amendment I have worked on with Mr. KANJORSKI and Mrs. BIGGERT that will provide additional protection for consumers. This amendment will now require escrow accounts for some mortgages and will provide borrowers with the budgeting tools necessary to properly manage taxes and insurances on their property. This amendment will also include Federal appraisal standards with serious penalties.

I fully support this bill and thank the chairman and the ranking member.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. FRANK of Massachusetts. How much time do I have remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has 2 minutes.

Mr. FRANK of Massachusetts. I yield myself my remaining time to enter into a colloquy with my colleague from Alabama.

Mr. Chairman, the gentleman from Alabama, this has been a collaborative effort in many ways. We have had some disagreements, but there has been a lot of agreement. And the gentleman from Alabama in particular took the lead in the language that went into the bill in committee and is being refined here dealing with nationwide registration requirements, a prerequisite for any kind of enforcement. Now, I appreciated the work he did and the committee benefited from it.

Community banks are obviously very important in this. And, indeed, if only community banks had made loans for mortgages, we wouldn't have a crisis. But we don't want to interfere with their ability to help going forward.

I would just yield to the gentleman in a minute to have him give his interpretation. My view is, and I defer to him as the spokesperson for the committee on this, because we are here talking about language which he developed and which we incorporated. We do have some regulatory requirements here that would affect not just the brokers but community banks. And I assume my colleague from Alabama, in drafting this, certainly intended and we meant to do this in the language, that the regulatory agencies would be able to show some flexibility in terms of the impact of these requirements on our community banks.

I would yield to my friend from Alabama on that point.

Mr. BACHUS. The chairman is correct. Section 107 was designed and implemented to give the Federal bank regulators flexibility in implementing the national registry. And it is the intention of the committee, of the entire committee, that, as they do this implementation, that they give proper consideration to its impact on small financial institutions, smaller impact, and that they try to minimize that impact.

Mr. FRANK of Massachusetts. I thank the gentleman. In my closing seconds, let me just reiterate an important point.

Attorneys General have been concerned about their ability to prosecute and defend against certain abuses. Thanks to the gentleman from North Carolina (Mr. WATT), the effective date of this bill and all of its provisions will be the date of enactment. What that means is that any transaction that occurred before the bill becomes law, any loan that was made, will not be subject to the preemption. So we do want to reassure any law enforcement official out there that their rights to go against people who have been abusive will in no way, up until new loans are made, be in any way diminished.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today in strong support of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007, introduced by my distinguished colleague from North Carolina, Representative BRAD MILLER. This important legislation will address and reform the mortgage lending processes "to avert a recurrence of the current situation with rising defaults and foreclosures, especially in the sub-prime market."

Mr. Chairman, it is essential that this Congress protects the needs of American families and nothing is more imperative than ensuring that all people have a home. Recent studies have reported that 92 percent of the American population has at some point feared being homeless and this legislation is an important step in alleviating those fears. The current lending crisis must be addressed.

The Federal Government must play an important role in revitalizing and restoring opportunities for Americans to reach the American dream of owning a home. One of the major contributors of the affordable housing shortage is the sub-prime lending crisis that has caused serious negative economic and social consequences that resulted from too little regulation. Because of the lack of regulation by the Federal Government, many loans were accompanied by fraud, inadequate information and other failures of responsible marketing. Foreclosure rates are at 14 percent and are rising at an alarming rate and homeowners across America are losing their homes. Throughout the country, homeowners are surprised to find out that their monthly payments are spiking and they are struggling to make these increasingly high payments.

The sub-prime mortgage crisis has impacted families and communities across the country. Home foreclosure filings rose to 1.2 million in 2006—a 42 percent jump—due to rising mortgage bills and a slowing housing market. In Iowa, 3,445 families experienced foreclosure last year, up 64 percent from 2005.

Nationally, as many as 2.4 million sub-prime borrowers have either lost their homes or could lose them in the next few years.

The Democratic-led House Financial Services Committee has been intently focused on this and other issues and is working toward a balanced solution that helps stabilize the mortgage market, stops abuses, preserves access to credit, and aids stable homeownership.

Creating more affordable housing opportunities will increase more job opportunities for the people of Houston and Harris County. We hope that an increase in affordable housing and job opportunities will also reduce the high rates of homelessness among Houston residents. As you may know:

Houston's homeless population increased to approximately 14,000 in 2005 before Hurricanes Katrina and Rita.

Hurricane evacuees remaining in the Houston area could result in the homeless population increasing by some 23,000 to 30,000.

Houston's homeless population includes an estimated 28 percent of American Veterans.

Some 59 percent became homeless because of job loss.

A full 10 percent of the city's homeless are believed to be able to return to self-sufficiency with 12–18 months of assistance and affordable housing.

Shelter and housing for Houston's homeless currently is reported at around 4,235 beds and or units, leaving 10,000 on the streets.

I have cosponsored a number of bills to address the housing crisis in this country. In the 109th Congress I cosponsored H.R. 1182, the Prohibit Predatory Lending Act, and H.R. 1994, the Predatory Mortgage Lending Reduction Act. I will continue to support legislation to address the housing crisis facing the people of this country.

This important piece of legislation will ''create a licensing system for residential mortgage loan originators, establish a minimum standard requiring that borrowers have a reasonable ability to repay a loan, and will attach a limited liability to secondary market securitizers.'' This is extremely significant in the sense that it will ensure that Americans who dream of home ownership will not engage in loans that they will be unable to repay. It will enhance and expand consumer protections against ''high-cost loans.'' It will protect renters of foreclosed homes and establish through the Department of Housing and Urban Development an Office of Housing Counseling that will ensure that consumers will be fully aware of all possible avenues.

While this legislation is a step in the right direction, we must ensure that this legislation does not hurt those who it is intended to protect. We must ensure that families with a less-than-perfect credit history are not denied outright their dream of home-ownership and that lenders do not abuse their discretionary powers. This legislation creates a standard licensing system for residential mortgage loan originators that will ensure a consistent rubric for loans and protect American families from would-be predatory lenders. It further expands consumer protections from high-cost loans by: prohibiting the financing of points and fees; prohibiting excessive fees for payoff information, modifications, or late payments; prohibiting practices that increase the risk of foreclosure, such as balloon payments, encouraging a borrower to default, and call provisions, and requiring pre-loan counseling. This is an unprecedented step forward for hard working Americans with the dream of home-ownership and I applaud this legislation for this significant first step towards helping Americans realize their dreams.

Finally, let me acknowledge the concerns of strong advacates for the housing needs of the vulnerable—ACORN and the NAACP, among others, and I look to working on changes in this legislation as the bill moves to address their concerns.

Mr. CAPPS. Mr. Chairman, I rise today in strong support of the Mortgage Reform and Anti-Predatory Lending Act.

This bill continues the Democratic-led Congress' efforts to protect and promote the American Dream of homeownership.

We can now see clearly that questionable and even discriminatory lending practices were a part of the real estate ''boom'' in our country.

In my district, these unscrupulous practices will result in about a half billion dollar loss in home equity for my constituents.

This translates into over 80,000 homes devalued and the certainty of foreclosure for many.

That is 80,000 families that entered into their mortgage contracts in good faith.

They did not anticipate that all of their hard work would be wiped out with one interest rate hike.

Many nonprofits and other economic development groups in my district, like the Cabrillo Economic Development Center, have stepped up to help these families restructure their loans and keep their homes.

And I am happy to say that today the House will do its part to stop harmful predatory lending practices.

This bill will create minimum standards for mortgage loan originators, and require the determination that a consumer has a reasonable ability to repay their loan.

Importantly, it also discourages ''steering'' a consumer toward a higher-cost loan when they in fact qualify for a lower interest rate.

Mr. Chairman, I urge my colleagues to support this important bill and put our families back on track to achieving the American Dream.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I rise in support of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007.

H.R. 3915 restricts the harmful mortgage lending products that have wreaked havoc on our local communities.

In my district in Orange County, California, the cities of Anaheim and Santa Ana are feeling the effects of irresponsible lending practices that resulted in numerous foreclosures.

One-third of the homes on the market in those cities are available because they were foreclosed on.

Borrowers who will only purchase a home once or twice in their lifetimes should not be blamed for the current situation.

Through the licensing of mortgage loan originators, the establishment of loan origination standards, and the enhancement of consumer protections, H.R. 3915 takes appropriate steps to stop predatory lending practices without placing an undue burden on responsible mortgage originators and lenders.

These new standards will provide needed safeguards without preventing potential homebuyers from obtaining loans.

Eventually, the financial services industry will recover from the current mortgage crisis, and we must ensure that the predatory practices of the past are not repeated in the future.

Mrs. JONES of Ohio. Mr. Chairman, I rise in support of H.R. 3915, The Mortgage Reform and Anti-Predatory Lending Act of 2007. For the past 8 years I have introduced the Predatory Lending Practices Reduction Act, which seeks to establish a mortgage licensing system for mortgage brokers. It also provides grants to nonprofit community development corporations to educate and train borrowers and community groups regarding illegal and inappropriate predatory lending practices.

I am pleased that H.R. 3915 incorporates language from my bill that establishes a nationwide mortgage licensing system and registry to license and register individual mortgage brokers, and register bank employees that originate mortgages. I believe that brokers should be prohibited from being the original provider of loans, loan originators, without having first obtained, and continue to maintain, registration within the NMLSR.

This legislation has been warranted for a very long time. I have been preaching about this issue since I came to Congress as a member of the Financial Services Committee. We are facing a national housing crisis and without this legislation, the problem will only get much worse.

The nonprofit Center for Responsible Lending projects that as this year ends, 2.5 million households in the sub-prime market will either have lost their homes to foreclosure or hold sub-prime mortgages that will fail over the next several years. These foreclosures will cost homeowners as much as $164 billion, primarily in lost home equity.

In Ohio, and particularly in my congressional district, the problem has gone from bad to worse with nearly 42 percent of loans generated in the past year being sub-prime, and an estimated one in six sub-prime loans in the district will ultimately end in foreclosure. These sub-prime foreclosures will result in price declines for more than 198,000 surrounding homes, with homeowners in my district losing about $249 million in equity.

Mr. Chairman, I commend Chairman FRANK and the Financial Services Committee on their hard work and commitment to this issue. I am glad to see this bill on the floor today, and I urge my colleagues to join me in supporting this meaningful and necessary legislation.

Ms. WATERS. Mr. Chairman, I rise in support of the Mortgage Reform and Anti-Predatory Lending Act of 2007. Each month brings new figures that reinforce the importance of putting in place a Federal legislative and regulatory framework that prevents us from reliving this crisis in the mortgage markets. I have a keen interest in this legislation because of the disproportionate impact of the foreclosure wave on my home State. California's third-quarter foreclosure rate of one foreclosure filing for every 88 households ranked second highest among all States, and reflects a near quadrupling of the number reported for the same period last year. Five of the top 10 metro areas in foreclosure filings are in California.

Clearly, we need to prevent the now widespread practice of getting people into loans they can't afford. H.R. 3915 takes critical steps in this respect, including—for the first time—imposing a Federal duty of care on all mortgage originators and setting minimum Federal standards on all mortgages. Anchoring the bill's approach are newly established minimum standards regarding the borrower's ability to repay and net tangible benefit to the consumer. This is a sound strategy given that Federally regulated mortgage originators have long had to meet similar benchmarks, and not coincidentally, we have seen few problems in that sector of the market.

H.R. 3915 also seeks to reduce the incentives to market inappropriate credit products to borrowers. I am particularly pleased that H.R. 3915—again for the first time—removes the most destructive of such incentives, severing the link between the compensation of the originator and the terms of the loan. Minority borrowers have been disproportionately steered to costly loans, in part because the fees such loans generate for originators are higher than more appropriate products. H.R. 3915 correctly prohibits this practice outright.

I am proud to have been an original cosponsor of this ambitious legislation, and urge my colleagues to support its passage today.

But I would not be telling the truth if I said I lacked any concerns about the potential impact of our ambition over time. Mr. Chairman, I do want to thank you and Ranking Member BACHUS for your diligent work in the Manager's Amendment to address one such concern I raised during the Financial Services Committee markup of the bill, namely, the extent to which the assignee liability and remedies this bill creates should preempt State law. We want to make sure that consumers are protected to the greatest extent possible—and, historically, many of these protections have been initiated by States, especially in the subprime market. But we also don't want to shut down the secondary mortgage market that has critical to expanding homeownership nationally.

I appreciate the effort that the Manager's Amendment makes to better strike this delicate balance. The Manager's Amendment now clarifies that the bill does not preempt state laws such as fraud and civil rights statutes. In particular, I appreciate that the Manager's Amendment makes crystal clear that securitizers will be held to account when they directly participate in a fraud—as in the egregious First Alliance case I mentioned at Committee markup. However, attorneys who have been working on predatory lending issues in my district and State for decades, continue to be concerned that the legal meaning of this provision is unclear. As such, federal courts may impart this meaning in ways that roll back important consumer remedies under State law.

This, in turn, raises the question of whether we have yet reached the right balance of Federal rights and remedies in the bill, given that we may be displacing a lot of State and private activity in this financial sector. Certainly, national organizations representing consumers remain concerned about this, and many have declined to endorse the bill. As you have noted, Mr. Chairman, that industry groups seem equally ambivalent about the bill suggests that perhaps we are approaching the proper ''unhappiness quotient'' among the stakeholders. As this bill moves to the Senate and to conference, though, I urge that continue to take seriously and re-examine issues surrounding preemption and strength of remedies.

To conclude, however, I want to be clear that I believe this groundbreaking bill should be passed today. Accordingly, I urge my colleagues to vote for H.R. 3915. Thank you again, Mr. Chairman, for all of your work on this bill.

Mr. JOHNSON of Georgia. Mr. Chairman, I rise today in support of Representative WATT's amendment as a way to strengthen the enforcement provisions of this mortgage bill. Subprime lending has devastated communities throughout Atlanta and my district. Thirty-five percent of all loans made to my constituents are subprime loans—that's much higher than the national average of twenty-eight percent. Seventeen percent of those loans result in foreclosure, which means, in DeKalb County, nearly 1,000 families enter foreclosure each month. In my entire district, it means my constituents who don't lose their homes will still lose nearly $200 million in home equity as foreclosures decrease the values of surrounding homes. Unfortunately, all indicators point to foreclosures continuing to rise well into 2008. These foreclosures have a devastating effect on the families in my district who work hard to buy a house. And they aren't just the result of a downturn in the housing market or because people don't pay their bills on time. No, my constituents have been victims of widespread mortgage fraud and predatory lending. Chairman FRANK's bill takes a step in the right direction toward helping my constituents. And this amendment and the others submitted by Representatives WATT and MILLER will help to make this bill stronger so that Americans are protected from lenders and brokers who prey on low-income and minority populations. With stronger enforcement mechanisms, this bill will help my constituents keep their hard-earned roofs over their heads. I urge my colleagues to support Mr. WATT's and Mr. MILLER's amendments and Chairman FRANK's bill and put a stop to predatory lending.

Mr. HALL of New York. Mr. Chairman, today, during the consideration of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007 I voted against the Motion to Recommit forthwith. If passed, that motion would have required anyone seeking to get a residential mortgage loan to produce one of four forms of identification prior to approval; a Social Security card and picture ID, a Real ID drivers license, a U.S. or foreign passport or an ID card issued by the Department of Homeland Security.

I am opposed to giving illegal immigrants access to mortgages. However, the language contained in the Motion to Recommit forthwith would not only have failed to meet the goal of denying mortgages to illegal immigrants, but it could have actually made it more difficult for legal citizens of New York and other states to obtain these same housing funds. The motion could have made it more difficult for people from states that have not yet adopted Real ID standards or do not have ready access to other documentation to qualify. However; any illegal immigrant with a passport from their native country would have no difficulty in using that passport to get a mortgage. That is not the kind of requirement we want or need.

I believe it is important that Americans have the opportunity to qualify for mortgages. Owning one's home is a vital part of the American dream. I cannot and will not support legislation that will make it more difficult for citizens and legal immigrants to get mortgages, and easier for illegal immigrants to do so. This motion would have done just that, and as a result I could not support it.

Mr. LANGEVIN. Mr. Chairman, I rise in support of the Mortgage Reform and Anti-Predatory Lending Act, which will bring greater transparency to lending practices nationwide. The housing market is under significant stress, and many families cannot keep pace with ballooning mortgage payments.

Unconventional mortgages have left countless Americans facing foreclosure. Unless we act soon, millions more may lose their homes. With this bill, we combat unscrupulous lending practices and bring transparency to the process by requiring mortgage originators to be licensed and mandating full disclosure of loan terms. Perhaps most importantly, mortgage originators must certify that consumers have a reasonable ability to pay back loans and that they are not predatory in nature. We have seen too many lenders steer consumers into loans they cannot afford.

This measure will address persistent problems in the housing market and bring financial stability to families. I thank Chairman FRANK for his leadership, and I urge support for the bill.

Mr. UDALL of Colorado. Mr. Chairman, I rise in support of the ''Mortgage Reform and Anti-Predatory Lending Act of 2007.'' Homeowners in Colorado and nationwide continue to face an impending crisis. Millions of borrowers have found themselves with unmanageable loans that not only threaten the financial security of their families and communities, but also undermine the Nation's economy as a whole. Passage of this bill will address irresponsible business practices in the mortgage industry that have played a part in creating this situation.

There are grave problems in the housing market. Foreclosure rates are rising, housing prices are stagnating and too many Americans are overwhelmed by the rise in their monthly payments. And housing is not the only sector of the economy that has been affected by the tremors whose epicenter is located within the financial institutions involved in mortgage funding.

This bill responds to problems that have come to light as those tremors have spread. Its main benefit may be to reduce the likelihood of similar shocks in the future, by reforming mortgage lending practices to soften the impact of rising defaults and foreclosures, especially in the subprime market.

The bill establishes a Federal duty of care for mortgage originators. It prohibits steering consumers to mortgages with predatory characteristics and other abusive practices in the subprime mortgage market, and establishes a licensing and registration system for loan originators. It also expands and enhances consumer protections for ''high-cost loans'' under the Home Ownership and Equity Protection Act; requires additional disclosures to consumers, and includes protections for renters of foreclosed properties.

I am particularly pleased that this legislation establishes an Office of Housing Counseling within the Department of Housing and Urban Development (RUD). This provision will provide financial and technical assistance to States, local governments, and nonprofit organizations to establish and operate consumer education programs. These programs will both enhance the consumer's financial literacy and also provide people with better information about mortgage and refinancing opportunities.

I do have some concerns about the bill, particularly regarding the extent to which its preemption provisions could interfere with implementation of State laws regarding loan liability. Fortunately, this risk has been reduced through adoption of an amendment to narrow the preemptive effect of the bill. It is my hope that these provisions can be further reformed in the Senate and conference committee before the bill is sent to the President.

I am also concerned about the possible effects of an amendment offered on the House floor that could have created a major new liability for mortgage originators, assignees, and securitizers by establishing a ''pattern and practice'' violation with penalties of not less than $25,000 per loan and $1 million for the violation itself. As I understand it, the amendment would characterize as a ''pattern or practice'' as few as two loans, which might mean that a lender who has acted in good faith in making a loan may be found to have violated this very subjective standard—with massive liability. I found persuasive the argument that

such a potential for increased liability could have a chilling effect in the secondary market, making liquidity less available. Fortunately, this amendment was not adopted.

Mr. Chairman, this bill is a good measure that deserves support. Further legislation may be required to address our Nation's mortgage crisis and assist families in Colorado and across the country in restructuring loans and recovering from this financial disaster, but this bill is a necessary part of the response to problem that might have terribly negative impacts on our economic future—and I urge its passage.

Mr. MCNERNEY. Mr. Chairman, we are in a housing crisis that has led to instability and increases in criminal activity that is destroying our communities. While some people took out risky loans that they could not afford, many were caught up in exaggerated promises and the predatory lending practices that blossomed in recent years.

Stockton, California, in my congressional district, is unfortunately at the center of it all. One out of every 31 homes in Stockton faces foreclosure—the highest rate in the country.

While there is no magic bullet to solve the problems in the housing market, the bill we are voting on today is an important part of our nation's comprehensive response to the surge in foreclosures.

We are establishing common-sense homebuyer protections to ensure that responsible real estate professionals can provide safe mortgage products.

Owning one's own home is the American Dream and promoting responsible home ownership is a policy that makes sense. In Congress, I will continue working for sensible policies to encourage home ownership and the stable communities it creates.

I am proud to support this bill, and I urge my colleagues to do the same.

Mr. CONYERS. Mr. Chairman, I rise in support of H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007, legislation to combat abusive practices and improve oversight of the mortgage industry.

The Mortgage Reform and Anti-Predatory Lending Act of 2007 will reform mortgage practices in three areas. First, the bill will establish a Federal duty of care, prohibit steering, and call for licensing and registration of mortgage originators, including brokers and bank loan officers. Second, the new legislation will set a minimum standard for all mortgages which states that borrowers must have a reasonable ability to repay. Third, the legislation attaches limited liability to secondary market securitizers who package and sell interest in home mortgage loans outside of these standards. However, individual investors in these securities would not be liable. Finally, the bill expands and enhances consumer protections for "high-cost loans" under the Home Ownership and Equity Protection Act and includes important protections for renters of foreclosed homes.

Passage of H.R. 3915 could potentially help hundreds of thousands of homeowners across this Nation who are facing home foreclosures, and need more flexible terms in paying back their mortgages given that we are experiencing increased job layoffs; especially in Detroit and the State of Michigan. According to the Michigan Association of Realtors, the State of Michigan is in deep systematic recession. The auto industry has lost tens of thousands of jobs in the past few years, and there are more cuts to come.

In fact, Michigan saw 11,554 new foreclosures filings in February 2007. That put one of every 366 Michigan households at risk of losing a home because of missed mortgage payments. The Wayne County/Detroit area reported 6,653 new foreclosures in January of 2007, more than twice the number reported in December 2007. That amounts to one new filing for every 124 households. H.R. 3915 would create a more progressive and equitable home mortgage loan policy that will help scores of working families across this Nation and Michigan keep their homes; and prevent them from becoming homeless. This legislation will address the ongoing practice of routing unsuspecting borrowers into loans that are not appropriate for their needs and that they can't afford. H.R. 3915 will also stop the practice of creative loan financing by unscrupulous brokers who may unnecessarily increase the fees and costs to write the loan.

Treasury Secretary Henry Paulson called the housing downtown "the most significant current risk to the U.S. economy." Last week Federal Reserve Chairman Ben Bernanke said the situation will get worse before it gets better. Many believe that faulty mortgage lending practices have precipitated this credit crisis, and that the situation will get worse before it gets better. Therefore, I believe that this legislative remedy is a much needed remedy in a time of crisis.

I want to thank my friend Chairman BARNEY FRANK and my Republican colleagues for their bipartisan work to create an outstanding piece of legislation that moves us in a proactive direction. In conclusion, let me say that this comprehensive bill brings sweeping and much-needed changes to the mortgage market. It will reform many of the flaws in the current system that has led to the mortgage foreclosure crisis. The American people have asked us to provide the tools and oversight necessary to address this crisis and we have been able to achieve that goal. I whole heartedly give my complete support to this legislation. It is my belief that this bill reflects the principles of the Democratic Party which historically has ensured that the Federal Government will provide a safety net and protection for working families in a time of need.

Mr. SHAYS. Mr. Chairman, H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act is a measure response to the ongoing subprime mortgage crisis that sets some minimum Federal standards for home loans and reasonable accountability standards for lenders.

Setting restrictive standards on borrowers with weak credit profiles and higher risk of default could be counterproductive and limit access to credit to individuals who, without the subprime market, would be unable to get loans and have a part of the American Dream.

Recent increases in subprime borrower foreclosures and lender bankruptcies, however, have prompted concerns that some lenders' underwriting guidelines are too loose and that some borrowers have not fully understood the risks of the mortgage products they chose.

To remedy this problem, the bill would require lenders to first document that prospective borrowers can repay both during any discounted introductory period and after the rate rises to market levels. In language that would directly expose lenders to liability, the loans would be required to have a "net tangible benefit" for the borrowers.

While I agree with the bill's approach, I am concerned about some provisions. For example, I am not certain that prohibiting mortgage brokers from earning yield spread premiums on loans they make to individuals in the subprime market will prevent a great deal of fraud and abuse, and it could lead to mortgage brokers being locked out of this market.

There is wide agreement, however, that the bill's licensing standards for lenders are needed, and these standards are a primary factor in my support for the legislation. Licensing will lead to more educated lenders, which will in turn lead to borrowers who end up with the most suitable mortgage.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment is as follows:

H.R. 3915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Mortgage Reform and Anti-Predatory Lending Act of 2007".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—RESIDENTIAL MORTGAGE LOAN ORIGINATION

Subtitle A—Licensing System for Residential Mortgage Loan Originators

Sec. 101. Purposes and methods for establishing a mortgage licensing system and registry.
Sec. 102. Definitions.
Sec. 103. License or registration required.
Sec. 104. State license and registration application and issuance.
Sec. 105. Standards for State license renewal.
Sec. 106. System of registration administration by Federal banking agencies.
Sec. 107. Secretary of Housing and Urban Development backup authority to establish a loan originator licensing system.
Sec. 108. Backup authority to establish a nationwide mortgage licensing and registry system.
Sec. 109. Fees.
Sec. 110. Background checks of loan originators.
Sec. 111. Confidentiality of information.
Sec. 112. Liability provisions.
Sec. 113. Enforcement under HUD backup licensing system.

Subtitle B—Residential Mortgage Loan Origination Standards

Sec. 121. Definitions.
Sec. 122. Residential mortgage loan origination.
Sec. 123. Anti-steering.
Sec. 124. Liability.
Sec. 125. Regulations.

TITLE II—MINIMUM STANDARDS FOR MORTGAGES

Sec. 201. Ability to repay.
Sec. 202. Net tangible benefit for refinancing of residential mortgage loans.
Sec. 203. Safe harbor and rebuttable presumption.
Sec. 204. Liability.
Sec. 205. Defense to foreclosure.

Sec. 206. Additional standards and requirements.
Sec. 207. Rule of construction.
Sec. 208. Effect on State laws.
Sec. 209. Regulations.
Sec. 210. Amendments to civil liability provisions.
Sec. 211. Required disclosures.
Sec. 212. Authorization of appropriations.
Sec. 213. Effective date.

TITLE III—HIGH-COST MORTGAGES

Sec. 301. Definitions relating to high-cost mortgages.
Sec. 302. Amendments to existing requirements for certain mortgages.
Sec. 303. Additional requirements for certain mortgages.
Sec. 304. Amendment to provision governing correction of errors.
Sec. 305. Regulations.
Sec. 306. Effective date.

TITLE IV—OFFICE OF HOUSING COUNSELING

Sec. 401. Short title.
Sec. 402. Establishment of Office of Housing Counseling.
Sec. 403. Counseling procedures.
Sec. 404. Grants for housing counseling assistance.
Sec. 405. Requirements to use HUD-certified counselors under HUD programs.
Sec. 406. Study of defaults and foreclosures.
Sec. 407. Definitions for counseling-related programs.
Sec. 408. Updating and simplification of mortgage information booklet.

TITLE V—MORTGAGE DISCLOSURES UNDER REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974

Sec. 501. Universal mortgage disclosure in good faith estimate of settlement services costs.

TITLE I—RESIDENTIAL MORTGAGE LOAN ORIGINATION

Subtitle A—Licensing System for Residential Mortgage Loan Originators

SEC. 101. PURPOSES AND METHODS FOR ESTABLISHING A MORTGAGE LICENSING SYSTEM AND REGISTRY.

In order to increase uniformity, reduce regulatory burden, enhance consumer protection, and reduce fraud, the States, through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, are hereby encouraged to establish a Nationwide Mortgage Licensing System and Registry for the residential mortgage industry that accomplishes all of the following objectives:

(1) Provides uniform license applications and reporting requirements for State-licensed loan originators.

(2) Provides a comprehensive licensing and supervisory database.

(3) Aggregates and improves the flow of information to and between regulators.

(4) Provides increased accountability and tracking of loan originators.

(5) Streamlines the licensing process and reduces the regulatory burden.

(6) Enhances consumer protections and supports anti-fraud measures.

(7) Provides consumers with easily accessible information regarding the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators.

SEC. 102. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) FEDERAL BANKING AGENCIES.—The term ''Federal banking agencies'' means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the National Credit Union Administration, and the Federal Deposit Insurance Corporation.

(2) DEPOSITORY INSTITUTION.—The term ''depository institution'' has the same meaning as in section 3 of the Federal Deposit Insurance Act and includes any credit union.

(3) LOAN ORIGINATOR.—

(A) IN GENERAL.—The term ''loan originator''—

(i) means an individual who—

(I) takes a residential mortgage loan application;

(II) assists a consumer in obtaining or applying to obtain a residential mortgage loan; or

(III) offers or negotiates terms of a residential mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain;

(ii) includes any individual who represents to the public, through advertising or other means of communicating or providing information (including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items), that such individual can or will provide or perform any of the activities described in clause (i);

(iii) does not include any individual who performs purely administrative or clerical tasks and is not otherwise described in this subparagraph; and

(iv) does not include a person or entity that only performs real estate brokerage activities and is licensed or registered in accordance with applicable State law, unless the person or entity is compensated by a lender, a mortgage broker, or other loan originator or by any agent of such lender, mortgage broker, or other loan originator.

(B) OTHER DEFINITIONS RELATING TO LOAN ORIGINATOR.—For purposes of this subsection, an individual ''assists a consumer in obtaining or applying to obtain a residential mortgage loan'' by, among other things, advising on loan terms (including rates, fees, other costs), preparing loan packages, or collecting information on behalf of the consumer with regard to a residential mortgage loan.

(C) ADMINISTRATIVE OR CLERICAL TASKS.—The term ''administrative or clerical tasks'' means the receipt, collection, and distribution of information common for the processing or underwriting of a loan in the mortgage industry and communication with a consumer to obtain information necessary for the processing or underwriting of a residential mortgage loan.

(D) REAL ESTATE BROKERAGE ACTIVITY DEFINED.—The term ''real estate brokerage activity'' means any activity that involves offering or providing real estate brokerage services to the public, including—

(i) acting as a real estate agent or real estate broker for a buyer, seller, lessor, or lessee of real property;

(ii) listing or advertising real property for sale, purchase, lease, rental, or exchange;

(iii) providing advice in connection with sale, purchase, lease, rental, or exchange of real property;

(iv) bringing together parties interested in the sale, purchase, lease, rental, or exchange of real property;

(v) negotiating, on behalf of any party, any portion of a contract relating to the sale, purchase, lease, rental, or exchange of real property (other than in connection with providing financing with respect to any such transaction);

(vi) engaging in any activity for which a person engaged in the activity is required to be registered or licensed as a real estate agent or real estate broker under any applicable law; and

(vii) offering to engage in any activity, or act in any capacity, described in clause (i), (ii), (iii), (iv), (v), or (vi).

(4) LOAN PROCESSOR OR UNDERWRITER.—

(A) IN GENERAL.—The term ''loan processor or underwriter'' means an individual who performs clerical or support duties at the direction of and subject to the supervision and instruction of—

(i) a State-licensed loan originator; or

(ii) a registered loan originator.

(B) CLERICAL OR SUPPORT DUTIES.—For purposes of subparagraph (A), the term ''clerical or support duties'' may include—

(i) the receipt, collection, distribution, and analysis of information common for the processing or underwriting of a residential mortgage loan; and

(ii) communicating with a consumer to obtain the information necessary for the processing or underwriting of a loan, to the extent that such communication does not include offering or negotiating loan rates or terms, or counseling consumers about residential mortgage loan rates or terms.

(5) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY.—The term ''Nationwide Mortgage Licensing System and Registry'' means a mortgage licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators for the State licensing and registration of State-licensed loan originators and the registration of registered loan originators or any system established by the Secretary under section 108.

(6) REGISTERED LOAN ORIGINATOR.—The term ''registered loan originator'' means any individual who—

(A) meets the definition of loan originator and is an employee of a depository institution or a subsidiary of a depository institution; and

(B) is registered with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(7) RESIDENTIAL MORTGAGE LOAN.—The term ''residential mortgage loan'' means any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling (as defined in section 103(v) of the Truth in Lending Act) or residential real estate upon which is constructed or intended to be constructed a dwelling (as so defined).

(8) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(9) STATE-LICENSED LOAN ORIGINATOR.—The term ''State-licensed loan originator'' means any individual who—

(A) is a loan originator;

(B) is not an employee of a depository institution or any subsidiary of a depository institution; and

(C) is licensed by a State or by the Secretary under section 107 and registered as a loan originator with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

(10) UNIQUE IDENTIFIER.—The term ''unique identifier'' means a number or other identifier that—

(A) permanently identifies a loan originator; and

(B) is assigned by protocols established by the Nationwide Mortgage Licensing System and Registry and the Federal banking agencies to facilitate electronic tracking of loan originators and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against loan originators.

SEC. 103. LICENSE OR REGISTRATION REQUIRED.

(a) IN GENERAL.—An individual may not engage in the business of a loan originator without first—

(1) obtaining and maintaining—

(A) a registration as a registered loan originator; or

(B) a license and registration as a State-licensed loan originator; and

(2) obtaining a unique identifier.

(b) LOAN PROCESSORS AND UNDERWRITERS.—

(1) SUPERVISED LOAN PROCESSORS AND UNDERWRITERS.—A loan processor or underwriter who does not represent to the public, through advertising or other means of communicating or providing information (including the use of business cards, stationery, brochures, signs, rate

lists, or other promotional items), that such individual can or will perform any of the activities of a loan originator shall not be required to be a State-licensed loan originator or a registered loan originator.

(2) INDEPENDENT CONTRACTORS.—A loan processor or underwriter may not work as an independent contractor unless such processor or underwriter is a State-licensed loan originator or a registered loan originator.

SEC. 104. STATE LICENSE AND REGISTRATION APPLICATION AND ISSUANCE.

(a) BACKGROUND CHECKS.—In connection with an application to any State for licensing and registration as a State-licensed loan originator, the applicant shall, at a minimum, furnish to the Nationwide Mortgage Licensing System and Registry information concerning the applicant's identity, including—

(1) fingerprints for submission to the Federal Bureau of Investigation, and any governmental agency or entity authorized to receive such information for a State and national criminal history background check; and

(2) personal history and experience, including authorization for the System to obtain—

(A) an independent credit report obtained from a consumer reporting agency described in section 603(p) of the Fair Credit Reporting Act; and

(B) information related to any administrative, civil or criminal findings by any governmental jurisdiction.

(b) ISSUANCE OF LICENSE.—The minimum standards for licensing and registration as a State-licensed loan originator shall include the following:

(1) The applicant has not had a loan originator or similar license revoked in any governmental jurisdiction during the 5-year period immediately preceding the filing of the present application.

(2) The applicant has not been convicted, pled guilty or nolo contendere in a domestic, foreign, or military court of a felony during the 7-year period immediately preceding the filing of the present application.

(3) The applicant has demonstrated financial responsibility, character, and general fitness such as to command the confidence of the community and to warrant a determination that the loan originator will operate honestly, fairly, and efficiently within the purposes of this subtitle.

(4) The applicant has completed the pre-licensing education requirement described in subsection (c).

(5) The applicant has passed a written test that meets the test requirement described in subsection (d).

(c) PRE-LICENSING EDUCATION OF LOAN ORIGINATORS.—

(1) MINIMUM EDUCATIONAL REQUIREMENTS.—In order to meet the pre-licensing education requirement referred to in subsection (b)(4), a person shall complete at least 20 hours of education approved in accordance with paragraph (2), which shall include at least 3 hours of Federal law and regulations and 3 hours of ethics.

(2) APPROVED EDUCATIONAL COURSES.—For purposes of paragraph (1), pre-licensing education courses shall be reviewed, approved and published by the Nationwide Mortgage Licensing System and Registry.

(d) TESTING OF LOAN ORIGINATORS.—

(1) IN GENERAL.—In order to meet the written test requirement referred to in subsection (b)(5), an individual shall pass, in accordance with the standards established under this subsection, a qualified written test developed and administered by the Nationwide Mortgage Licensing System and Registry.

(2) QUALIFIED TEST.—A written test shall not be treated as a qualified written test for purposes of paragraph (1) unless—

(A) the test consists of a minimum of 100 questions; and

(B) the test adequately measures the applicant's knowledge and comprehension in appropriate subject areas, including—

(i) ethics;

(ii) Federal law and regulation pertaining to mortgage origination; and

(iii) State law and regulation pertaining to mortgage origination.

(3) MINIMUM COMPETENCE.—

(A) PASSING SCORE.—An individual shall not be considered to have passed a qualified written test unless the individual achieves a test score of not less than 75 percent correct answers to questions.

(B) INITIAL RETESTS.—An individual may retake a test 3 consecutive times with each consecutive taking occurring in less than 14 days after the preceding test.

(C) SUBSEQUENT RETESTS.—After 3 consecutive tests, an individual shall wait at least 14 days before taking the test again.

(D) RETEST AFTER LAPSE OF LICENSE.—A State-licensed loan originator who fails to maintain a valid license for a period of 5 years or longer shall retake the test, not taking into account any time during which such individual is a registered loan originator.

SEC. 105. STANDARDS FOR STATE LICENSE RENEWAL.

(a) IN GENERAL.—The minimum standards for license renewal for State-licensed loan originators shall include the following:

(1) The loan originator continues to meet the minimum standards for license issuance.

(2) The loan originator has satisfied the annual continuing education requirements described in subsection (b).

(b) CONTINUING EDUCATION FOR STATE-LICENSED LOAN ORIGINATORS.—

(1) IN GENERAL.—In order to meet the annual continuing education requirements referred to in subsection (a)(2), a State-licensed loan originator shall complete at least 8 hours of education approved in accordance with paragraph (2), which shall include at least 3 hours of Federal law and regulations and 2 hours of ethics.

(2) APPROVED EDUCATIONAL COURSES.—For purposes of paragraph (1), continuing education courses shall be reviewed, approved, and published by the Nationwide Mortgage Licensing System and Registry.

(3) CALCULATION OF CONTINUING EDUCATION CREDITS.—A State-licensed loan originator—

(A) may only receive credit for a continuing education course in the year in which the course is taken; and

(B) may not take the same approved course in the same or successive years to meet the annual requirements for continuing education.

(4) INSTRUCTOR CREDIT.—A State-licensed loan originator who is approved as an instructor of an approved continuing education course may receive credit for the originator's own annual continuing education requirement at the rate of 2 hours credit for every 1 hour taught.

SEC. 106. SYSTEM OF REGISTRATION ADMINISTRATION BY FEDERAL BANKING AGENCIES.

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Federal banking agencies shall jointly develop and maintain a system for registering employees of depository institutions or subsidiaries of depository institutions as registered loan originators with the Nationwide Mortgage Licensing System and Registry. The system shall be implemented before the end of the 1-year period beginning on the date of the enactment of this Act.

(2) REGISTRATION REQUIREMENTS.—In connection with the registration of any loan originator who is an employee of a depository institution or a subsidiary of a depository institution with the Nationwide Mortgage Licensing System and Registry, the appropriate Federal banking agency shall, at a minimum, furnish or cause to be furnished to the Nationwide Mortgage Licensing System and Registry information concerning the employees's identity, including—

(A) fingerprints for submission to the Federal Bureau of Investigation, and any governmental agency or entity authorized to receive such information for a State and national criminal history background check; and

(B) personal history and experience, including—

(i) an independent credit report obtained from a consumer reporting agency described in section 603(p) of the Fair Credit Reporting Act; and

(ii) information related to any administrative, civil or criminal findings by any governmental jurisdiction.

(b) UNIQUE IDENTIFIER.—The Federal banking agencies, through the Financial Institutions Examination Council, shall coordinate with the Nationwide Mortgage Licensing System and Registry to establish protocols for assigning a unique identifier to each registered loan originator that will facilitate electronic tracking and uniform identification of, and public access to, the employment history of and publicly adjudicated disciplinary and enforcement actions against loan originators.

(c) CONSIDERATION OF FACTORS AND PROCEDURES.—In establishing the registration procedures under subsection (a) and the protocols for assigning a unique identifier to a registered loan originator, the Federal banking agencies shall make such de minimis exceptions as may be appropriate to paragraphs (1)(A) and (2) of section 103(a), shall make reasonable efforts to utilize existing information to minimize the burden of registering loan originators, and shall consider methods for automating the process to the greatest extent practicable consistent with the purposes of this subtitle.

SEC. 107. SECRETARY OF HOUSING AND URBAN DEVELOPMENT BACKUP AUTHORITY TO ESTABLISH A LOAN ORIGINATOR LICENSING SYSTEM.

(a) BACK UP LICENSING SYSTEM.—If, by the end of the 1-year period, or the 2-year period in the case of a State whose legislature meets only biennially, beginning on the date of the enactment of this Act or at any time thereafter, the Secretary determines that a State does not have in place by law or regulation a system for licensing and registering loan originators that meets the requirements of sections 104 and 105 and subsection (d) or does not participate in the Nationwide Mortgage Licensing System and Registry, the Secretary shall provide for the establishment and maintenance of a system for the licensing and registration by the Secretary of loan originators operating in such State as State-licensed loan originators.

(b) LICENSING AND REGISTRATION REQUIREMENTS.—The system established by the Secretary under subsection (a) for any State shall meet the requirements of sections 104 and 105 for State-licensed loan originators.

(c) UNIQUE IDENTIFIER.—The Secretary shall coordinate with the Nationwide Mortgage Licensing System and Registry to establish protocols for assigning a unique identifier to each loan originator licensed by the Secretary as a State-licensed loan originator that will facilitate electronic tracking and uniform identification of, and public access to, the employment history of and the publicly adjudicated disciplinary and enforcement actions against loan originators.

(d) STATE LICENSING LAW REQUIREMENTS.—For purposes of this section, the law in effect in a State meets the requirements of this subsection if the Secretary determines the law satisfies the following minimum requirements:

(1) A State loan originator supervisory authority is maintained to provide effective supervision and enforcement of such law, including the suspension, termination, or nonrenewal of a license for a violation of State or Federal law.

(2) The State loan originator supervisory authority ensures that all State-licensed loan originators operating in the State are registered with Nationwide Mortgage Licensing System and Registry.

(3) The State loan originator supervisory authority is required to regularly report violations of such law, as well as enforcement actions and other relevant information, to the Nationwide Mortgage Licensing System and Registry.

(e) TEMPORARY EXTENSION OF PERIOD.—The Secretary may extend, by not more than 6 months, the 1-year or 2-year period, as the case may be, referred to in subsection (a) for the licensing of loan originators in any State under a State licensing law that meets the requirements of sections 104 and 105 and subsection (d) if the Secretary determines that such State is making a good faith effort to establish a State licensing law that meets such requirements, license mortgage originators under such law, and register such originators with the Nationwide Mortgage Licensing System and Registry.

(f) LIMITATION ON HUD-LICENSED LOAN ORIGINATORS.—Any loan originator who is licensed by the Secretary under a system established under this section for any State may not use such license to originate loans in any other State.

SEC. 108. BACKUP AUTHORITY TO ESTABLISH A NATIONWIDE MORTGAGE LICENSING AND REGISTRY SYSTEM.

If at any time the Secretary determines that the Nationwide Mortgage Licensing System and Registry is failing to meet the requirements and purposes of this subtitle for a comprehensive licensing, supervisory, and tracking system for loan originators, the Secretary shall establish and maintain such a system to carry out the purposes of this subtitle and the effective registration and regulation of loan originators.

SEC. 109. FEES.

The Federal banking agencies, the Secretary, and the Nationwide Mortgage Licensing System and Registry may charge reasonable fees to cover the costs of maintaining and providing access to information from the Nationwide Mortgage Licensing System and Registry to the extent such fees are not charged to consumers for access such system and registry.

SEC. 110. BACKGROUND CHECKS OF LOAN ORIGINATORS.

(a) ACCESS TO RECORDS.—Notwithstanding any other provision of law, in providing identification and processing functions, the Attorney General shall provide access to all criminal history information to the appropriate State officials responsible for regulating State-licensed loan originators to the extent criminal history background checks are required under the laws of the State for the licensing of such loan originators.

(b) AGENT.—For the purposes of this section and in order to reduce the points of contact which the Federal Bureau of Investigation may have to maintain for purposes of subsection (a), the Conference of State Bank Supervisors or a wholly owned subsidiary may be used as a channeling agent of the States for requesting and distributing information between the Department of Justice and the appropriate State agencies.

SEC. 111. CONFIDENTIALITY OF INFORMATION.

(a) SYSTEM CONFIDENTIALITY.—Except as otherwise provided in this section, any requirement under Federal or State law regarding the privacy or confidentiality of any information or material provided to the Nationwide Mortgage Licensing System and Registry or a system established by the Secretary under section 108, and any privilege arising under Federal or State law (including the rules of any Federal or State court) with respect to such information or material, shall continue to apply to such information or material after the information or material has been disclosed to the system. Such information and material may be shared with all State and Federal regulatory officials with mortgage industry oversight authority without the loss of privilege or the loss of confidentiality protections provided by Federal and State laws.

(b) NONAPPLICABILITY OF CERTAIN REQUIREMENTS.—Information or material that is subject to a privilege or confidentiality under subsection (a) shall not be subject to—

(1) disclosure under any Federal or State law governing the disclosure to the public of information held by an officer or an agency of the Federal Government or the respective State; or

(2) subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by the Nationwide Mortgage Licensing System and Registry or the Secretary with respect to such information or material, the person to whom such information or material pertains waives, in whole or in part, in the discretion of such person, that privilege.

(c) COORDINATION WITH OTHER LAW.—Any State law, including any State open record law, relating to the disclosure of confidential supervisory information or any information or material described in subsection (a) that is inconsistent with subsection (a) shall be superseded by the requirements of such provision to the extent State law provides less confidentiality or a weaker privilege.

(d) PUBLIC ACCESS TO INFORMATION.—This section shall not apply with respect to the information or material relating to the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators that is included in Nationwide Mortgage Licensing System and Registry for access by the public.

SEC. 112. LIABILITY PROVISIONS.

The Secretary, any State official or agency, any Federal banking agency, or any organization serving as the administrator of the Nationwide Mortgage Licensing System and Registry or a system established by the Secretary under section 108, or any officer or employee of any such entity, shall not be subject to any civil action or proceeding for monetary damages by reason of the good-faith action or omission of any officer or employee of any such entity, while acting within the scope of office or employment, relating to the collection, furnishing, or dissemination of information concerning persons who are loan originators or are applying for licensing or registration as loan originators.

SEC. 113. ENFORCEMENT UNDER HUD BACKUP LICENSING SYSTEM.

(a) SUMMONS AUTHORITY.—The Secretary may—

(1) examine any books, papers, records, or other data of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 107; and

(2) summon any loan originator referred to in paragraph (1) or any person having possession, custody, or care of the reports and records relating to such loan originator, to appear before the Secretary or any delegate of the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give testimony, under oath, as may be relevant or material to an investigation of such loan originator for compliance with the requirements of this subtitle.

(b) EXAMINATION AUTHORITY.—

(1) IN GENERAL.—If the Secretary establishes a licensing system under section 107 for any State, the Secretary shall appoint examiners for the purposes of administering such section.

(2) POWER TO EXAMINE.—Any examiner appointed under paragraph (1) shall have power, on behalf of the Secretary, to make any examination of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 107 whenever the Secretary determines an examination of any loan originator is necessary to determine the compliance by the originator with this subtitle.

(3) REPORT OF EXAMINATION.—Each examiner appointed under paragraph (1) shall make a full and detailed report of examination of any loan originator examined to the Secretary.

(4) ADMINISTRATION OF OATHS AND AFFIRMATIONS; EVIDENCE.—In connection with examinations of loan originators operating in any State which is subject to a licensing system established by the Secretary under section 107, or with other types of investigations to determine compliance with applicable law and regulations, the Secretary and examiners appointed by the Secretary may administer oaths and affirmations and examine and take and preserve testimony under oath as to any matter in respect to the affairs of any such loan originator.

(5) ASSESSMENTS.—The cost of conducting any examination of any loan originator operating in any State which is subject to a licensing system established by the Secretary under section 107 shall be assessed by the Secretary against the loan originator to meet the Secretary's expenses in carrying out such examination.

(c) CEASE AND DESIST PROCEEDING.—

(1) AUTHORITY OF SECRETARY.—If the Secretary finds, after notice and opportunity for hearing, that any person is violating, has violated, or is about to violate any provision of this subtitle, or any regulation thereunder, with respect to a State which is subject to a licensing system established by the Secretary under section 107, the Secretary may publish such findings and enter an order requiring such person, and any other person that is, was, or would be a cause of the violation, due to an act or omission the person knew or should have known would contribute to such violation, to cease and desist from committing or causing such violation and any future violation of the same provision, rule, or regulation. Such order may, in addition to requiring a person to cease and desist from committing or causing a violation, require such person to comply, or to take steps to effect compliance, with such provision or regulation, upon such terms and conditions and within such time as the Secretary may specify in such order. Any such order may, as the Secretary deems appropriate, require future compliance or steps to effect future compliance, either permanently or for such period of time as the Secretary may specify, with such provision or regulation with respect to any loan originator.

(2) HEARING.—The notice instituting proceedings pursuant to paragraph (1) shall fix a hearing date not earlier than 30 days nor later than 60 days after service of the notice unless an earlier or a later date is set by the Secretary with the consent of any respondent so served.

(3) TEMPORARY ORDER.—Whenever the Secretary determines that the alleged violation or threatened violation specified in the notice instituting proceedings pursuant to paragraph (1), or the continuation thereof, is likely to result in significant dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest prior to the completion of the proceedings, the Secretary may enter a temporary order requiring the respondent to cease and desist from the violation or threatened violation and to take such action to prevent the violation or threatened violation and to prevent dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest as the Secretary deems appropriate pending completion of such proceedings. Such an order shall be entered only after notice and opportunity for a hearing, unless the Secretary determines that notice and hearing prior to entry would be impracticable or contrary to the public interest. A temporary order shall become effective upon service upon the respondent and, unless set aside, limited, or suspended by the Secretary or a court of competent jurisdiction, shall remain effective and enforceable pending the completion of the proceedings.

(4) REVIEW OF TEMPORARY ORDERS.—

(A) REVIEW BY SECRETARY.—At any time after the respondent has been served with a temporary cease-and-desist order pursuant to paragraph (3), the respondent may apply to the Secretary to have the order set aside, limited, or suspended. If the respondent has been served with a temporary cease-and-desist order entered without a prior hearing before the Secretary, the respondent may, within 10 days after the date on which the order was served, request a

hearing on such application and the Secretary shall hold a hearing and render a decision on such application at the earliest possible time.

(B) JUDICIAL REVIEW.—Within—

(i) 10 days after the date the respondent was served with a temporary cease-and-desist order entered with a prior hearing before the Secretary; or

(ii) 10 days after the Secretary renders a decision on an application and hearing under paragraph (1), with respect to any temporary cease-and-desist order entered without a prior hearing before the Secretary,

the respondent may apply to the United States district court for the district in which the respondent resides or has its principal place of business, or for the District of Columbia, for an order setting aside, limiting, or suspending the effectiveness or enforcement of the order, and the court shall have jurisdiction to enter such an order. A respondent served with a temporary cease-and-desist order entered without a prior hearing before the Secretary may not apply to the court except after hearing and decision by the Secretary on the respondent's application under subparagraph (A).

(C) NO AUTOMATIC STAY OF TEMPORARY ORDER.—The commencement of proceedings under subparagraph (B) shall not, unless specifically ordered by the court, operate as a stay of the Secretary's order.

(5) AUTHORITY OF THE SECRETARY TO PROHIBIT PERSONS FROM SERVING AS LOAN ORIGINATORS.—In any cease-and-desist proceeding under paragraph (1), the Secretary may issue an order to prohibit, conditionally or unconditionally, and permanently or for such period of time as the Secretary shall determine, any person who has violated this subtitle or regulations thereunder, from acting as a loan originator if the conduct of that person demonstrates unfitness to serve as a loan originator.

(d) AUTHORITY OF THE SECRETARY TO ASSESS MONEY PENALTIES.—

(1) IN GENERAL.—The Secretary may impose a civil penalty on a loan originator operating in any State which is subject to licensing system established by the Secretary under section 107 if the Secretary finds, on the record after notice and opportunity for hearing, that such loan originator has violated or failed to comply with any requirement of this subtitle or any regulation prescribed by the Secretary under this subtitle or order issued under subsection (c).

(2) MAXIMUM AMOUNT OF PENALTY.—The maximum amount of penalty for each act or omission described in paragraph (1) shall be $5,000 for each day the violation continues.

Subtitle B—Residential Mortgage Loan Origination Standards

SEC. 121. DEFINITIONS.

Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by adding at the end the following new subsection:

''(cc) DEFINITIONS RELATING TO MORTGAGE ORIGINATION AND RESIDENTIAL MORTGAGE LOANS.—

''(1) COMMISSION.—Unless otherwise specified, the term 'Commission' means the Federal Trade Commission.

''(2) FEDERAL BANKING AGENCIES.—The term 'Federal banking agencies' means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the National Credit Union Administration Board.

''(3) MORTGAGE ORIGINATOR.—The term 'mortgage originator'—

''(A) means any person who—

''(i) takes a residential mortgage loan application;

''(ii) assists a consumer in obtaining or applying to obtain a residential mortgage loan; or

''(iii) offers or negotiates terms of a residential mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain;

''(B) includes any person who represents to the public, through advertising or other means of communicating or providing information (including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items), that such person can or will provide any of the services or perform any of the activities described in subparagraph (A); and

''(C) does not include any person who is not otherwise described in subparagraph (A) or (B) and who performs purely administrative or clerical tasks on behalf of a person who is described in any such subparagraph.

''(4) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY.—The term 'Nationwide Mortgage Licensing System and Registry' has the same meaning as in section 102(5) of the Mortgage Reform and Anti-Predatory Lending Act of 2007.

''(5) OTHER DEFINITIONS RELATING TO MORTGAGE ORIGINATOR.—For purposes of this subsection, a person 'assists a consumer in obtaining or applying to obtain a residential mortgage loan' by, among other things, advising on residential mortgage loan terms (including rates, fees, and other costs), preparing residential mortgage loan packages, or collecting information on behalf of the consumer with regard to a residential mortgage loan.

''(6) RESIDENTIAL MORTGAGE LOAN.—The term 'residential mortgage loan' means any consumer credit transaction that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling or on residential real property that includes a dwelling, other than a consumer credit transaction under an open end credit plan or a reverse mortgage.

''(7) SECRETARY.—The term 'Secretary', when used in connection with any transaction or person involved with a residential mortgage loan, means the Secretary of Housing and Urban Development.

''(8) SECURITIZATION VEHICLE.—The term 'securitization vehicle' means a trust, corporation, partnership, limited liability entity, or special purpose entity that—

''(A) is the issuer, or is created by the issuer, of mortgage pass-through certificates, participation certificates, mortgage-backed securities, or other similar securities backed by a pool of assets that includes residential mortgage loans; and

''(B) holds such loans.

''(9) SECURITIZER.—The term 'securitizer' means the person that transfers, conveys, or assigns, or causes the transfer, conveyance, or assignment of, residential mortgage loans, including through a special purpose vehicle, to any securitization vehicle, excluding any trustee that holds such loans solely for the benefit of the securitization vehicle.''.

SEC. 122. RESIDENTIAL MORTGAGE LOAN ORIGINATION.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129 the following new section:

''§ 129A. Residential mortgage loan origination

''(a) DUTY OF CARE.—

''(1) STANDARD.—Subject to regulations prescribed under this subsection, each mortgage originator shall, in addition to the duties imposed by otherwise applicable provisions of State or Federal law—

''(A) be qualified, registered, and, when required, licensed as a mortgage originator in accordance with applicable State or Federal law including subtitle A of title I of the Mortgage Reform and Anti-Predatory Lending Act of 2007;

''(B) with respect to each consumer seeking or inquiring about a residential mortgage loan, diligently work to present the consumer with a range of residential mortgage loan products for which the consumer likely qualifies and which are appropriate to the consumer's existing circumstances, based on information known by, or obtained in good faith by, the originator;

''(C) make full, complete, and timely disclosure to each such consumer of—

''(i) the comparative costs and benefits of each residential mortgage loan product offered, discussed, or referred to by the originator;

''(ii) the nature of the originator's relationship to the consumer (including the cost of the services to be provided by the originator and a statement that the mortgage originator is or is not acting as an agent for the consumer, as the case may be); and

''(iii) any relevant conflicts of interest;

''(D) certify to the creditor, with respect to any transaction involving a residential mortgage loan, that the mortgage originator has fulfilled all requirements applicable to the originator under this section with respect to the transaction; and

''(E) include the unique identifier of the originator provided by the Nationwide Mortgage Licensing System and Registry on all loan documents.

''(2) CLARIFICATION OF EXTENT OF DUTY TO PRESENT RANGE OF PRODUCTS AND APPROPRIATE PRODUCTS.—

''(A) NO DUTY TO OFFER PRODUCTS FOR WHICH ORIGINATOR IS NOT AUTHORIZED TO TAKE AN APPLICATION.—Paragraph (1)(B) shall not be construed as requiring—

''(i) a mortgage originator to present to any consumer any specific residential mortgage loan product that is offered by a creditor which does not accept consumer referrals from, or consumer applications submitted by or through, such originator; or

''(ii) a creditor to offer products that the creditor does not offer to the general public.

''(B) APPROPRIATE LOAN PRODUCT.—For purposes of paragraph (1)(B), a residential mortgage loan shall be presumed to be appropriate for a consumer if—

''(i) the mortgage originator determines in good faith, based on then existing information and without undergoing a full underwriting process, that the consumer has a reasonable ability to repay and receives a net tangible benefit (as determined in accordance with regulations prescribed under section 129B(a)); and

''(ii) the loan does not have predatory characteristics or effects (such as equity stripping and excessive fees and abusive terms) as determined in accordance with regulations prescribed under paragraph (4).

''(3) RULES OF CONSTRUCTION.—No provision of this subsection shall be construed as—

''(A) creating an agency or fiduciary relationship between a mortgage originator and a consumer if the originator does not hold himself or herself out as such an agent or fiduciary; or

''(B) restricting a mortgage originator from holding himself or herself out as an agent or fiduciary of a consumer subject to any additional duty, requirement, or limitation applicable to agents or fiduciaries under any Federal or State law.

''(4) REGULATIONS.—

''(A) IN GENERAL.—The Federal banking agencies, in consultation with the Secretary and the Commission, shall jointly prescribe regulations to—

''(i) further define the duty established under paragraph (1);

''(ii) implement the requirements of this subsection;

''(iii) establish the time period within which any disclosure required under paragraph (1) shall be made to the consumer; and

''(iv) establish such other requirements for any mortgage originator as such regulatory agencies may determine to be appropriate to meet the purposes of this subsection.

''(B) COMPLEMENTARY AND NONDUPLICATIVE DISCLOSURES.—The agencies referred to in subparagraph (A) shall endeavor to make the required disclosures to consumers under this subsection complementary and nonduplicative with other disclosures for mortgage consumers to the extent such efforts—

''(i) are practicable; and

''(ii) do not reduce the value of any such disclosure to recipients of such disclosures.

''(5) COMPLIANCE PROCEDURES REQUIRED.—The Federal banking agencies shall prescribe regulations requiring depository institutions to establish and maintain procedures reasonably designed to assure and monitor the compliance of such depository institutions, the subsidiaries of such institutions, and the employees of such institutions or subsidiaries with the requirements of this section and the registration procedures established under section 106 of the Mortgage Reform and Anti-Predatory Lending Act of 2007.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129 the following new item:

''129A. Residential mortgage loan origination.''.

SEC. 123. ANTI-STEERING.

Section 129A of the Truth in Lending Act (as added by section 122(a)) is amended by inserting after subsection (a) the following new subsection:

''(b) PROHIBITION ON STEERING INCENTIVES.—

''(1) IN GENERAL.—No mortgage originator may receive from any person, and no person may pay to any mortgage originator, directly or indirectly, any incentive compensation (including yield spread premium) that is based on, or varies with, the terms (other than the amount of principal) of any loan that is not a qualified mortgage (as defined in section 129B(c)(3)).

''(2) ANTI-STEERING REGULATIONS.—The Federal banking agencies, in consultation with the Secretary and the Commission, shall jointly prescribe regulations to prohibit—

''(A) mortgage originators from steering any consumer to a residential mortgage loan that—

''(i) the consumer lacks a reasonable ability to repay;

''(ii) does not provide the consumer with a net tangible benefit; or

''(iii) has predatory characteristics or effects (such as equity stripping, excessive fees, or abusive terms);

''(B) mortgage originators from steering any consumer from a residential mortgage loan for which the consumer is qualified that is a qualified mortgage (as defined in section 129B(c)(3)) to a residential mortgage loan that is not a qualified mortgage; and

''(C) abusive or unfair lending practices that promote disparities among consumers of equal credit worthiness but of different race, ethnicity, gender, or age.

''(3) RULES OF CONSTRUCTION.—No provision of this subsection shall be construed as—

''(A) limiting or affecting the ability of a mortgage originator to sell residential mortgage loans to subsequent purchasers;

''(B) restricting a consumer's ability to finance origination fees to the extent that such fees were fully disclosed to the consumer earlier in the application process and do not vary based on the terms of the loan or the consumer's decision about whether to finance such fees; or

''(C) prohibiting incentive payments to a mortgage originator based on the number of residential mortgage loans originated within a specified period of time.''.

SEC. 124. LIABILITY.

Section 129A of the Truth in Lending Act is amended by inserting after subsection (b) (as added by section 123) the following new subsection:

''(c) LIABILITY FOR VIOLATIONS.—

''(1) IN GENERAL.—For purposes of providing a cause of action for any failure by a mortgage originator to comply with any requirement imposed under this section and any regulation prescribed under this section, subsections (a) and (b) of section 130 shall be applied with respect to any such failure by substituting 'mortgage originator' for 'creditor' each place such term appears in each such subsection

''(2) MAXIMUM.—The maximum amount of any liability of a mortgage originator under paragraph (1) to a consumer for any violation of this section shall not exceed an amount equal to 3 times the total amount of direct and indirect compensation or gain accruing to the mortgage originator in connection with the residential mortgage loan involved in the violation, plus the costs to the consumer of the action, including a reasonable attorney's fee.''.

SEC. 125. REGULATIONS.

The regulations required or authorized to be prescribed under this title or the amendments made by this title—

(1) shall be prescribed in final form before the end of the 12-month period beginning on the date of the enactment of this Act; and

(2) shall take effect not later than 18 months after the date of the enactment of this Act.

TITLE II—MINIMUM STANDARDS FOR MORTGAGES

SEC. 201. ABILITY TO REPAY.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129A (as added by section 122(a)) the following new section:

''§ 129B. Minimum standards for residential mortgage loans

''(a) ABILITY TO REPAY.—

''(1) IN GENERAL.—In accordance with regulations prescribed jointly by the Federal banking agencies, in consultation with the Commission, no creditor may make a residential mortgage loan unless the creditor makes a reasonable and good faith determination based on verified and documented information that, at the time the loan is consummated, the consumer has a reasonable ability to repay the loan, according to its terms, and all applicable taxes, insurance, and assessments.

''(2) MULTIPLE LOANS.—If the creditor knows, or has reason to know, that 1 or more residential mortgage loans secured by the same dwelling will be made to the same consumer, the creditor shall make a reasonable and good faith determination, based on verified and documented information, that the consumer has a reasonable ability to repay the combined payments of all loans on the same dwelling according to the terms of those loans and all applicable taxes, insurance, and assessments.

''(3) BASIS FOR DETERMINATION.—A determination under this subsection of a consumer's ability to repay a residential mortgage loan shall be based on consideration of the consumer's credit history, current income, expected income the consumer is reasonably assured of receiving, current obligations, debt-to-income ratio, employment status, and other financial resources other than the consumer's equity in the dwelling or real property that secures repayment of the loan.

''(4) NONSTANDARD LOANS.—

''(A) VARIABLE RATE LOANS THAT DEFER REPAYMENT OF ANY PRINCIPAL OR INTEREST.—For purposes of determining, under this subsection, a consumer's ability to repay a variable rate residential mortgage loan that allows or requires the consumer to defer the repayment of any principal or interest, the creditor shall take into consideration a fully amortizing repayment schedule.

''(B) INTEREST-ONLY LOANS.—For purposes of determining, under this subsection, a consumer's ability to repay a residential mortgage loan that permits or requires the payment of interest only, the creditor shall take into consideration the payment amount required to amortize the loan by its final maturity.

''(C) CALCULATION FOR NEGATIVE AMORTIZATION.—In making any determination under this subsection, a creditor shall also take into consideration any balance increase that may accrue from any negative amortization provision.

''(D) CALCULATION PROCESS.—For purposes of making any determination under this subsection, a creditor shall calculate the monthly payment amount for principal and interest on any residential mortgage loan by assuming—

''(i) the loan proceeds are fully disbursed on the date of the consummation of the loan;

''(ii) the loan is to be repaid in substantially equal monthly amortizing payments for principal and interest over the entire term of the loan with no balloon payment, unless the loan contract requires more rapid repayment (including balloon payment), in which case the contract's repayment schedule shall be used in this calculation; and

''(iii) the interest rate over the entire term of the loan is a fixed rate equal to the fully indexed rate at the time of the loan closing, without considering the introductory rate.

''(5) FULLY-INDEXED RATE DEFINED.—For purposes of this subsection, the term 'fully indexed rate' means the index rate prevailing on a residential mortgage loan at the time the loan is made plus the margin that will apply after the expiration of any introductory interest rates.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129A (as added by section 122(b)) the following new item:

''129B. Minimum standards for residential mortgage loans.''.

SEC. 202. NET TANGIBLE BENEFIT FOR REFINANCING OF RESIDENTIAL MORTGAGE LOANS.

Section 129B of the Truth in Lending Act (as added by section 201(a)) is amended by inserting after subsection (a) the following new subsection:

''(b) NET TANGIBLE BENEFIT FOR REFINANCING OF RESIDENTIAL MORTGAGE LOANS.—

''(1) IN GENERAL.—In accordance with regulations prescribed under paragraph (3), no creditor may extend credit in connection with any residential mortgage loan that involves a refinancing of a prior existing residential mortgage loan unless the creditor reasonably and in good faith determines, at the time the loan is consummated and on the basis of information known by or obtained in good faith by the creditor, that the refinanced loan will provide a net tangible benefit to the consumer.

''(2) CERTAIN LOANS PROVIDING NO NET TANGIBLE BENEFIT.—A residential mortgage loan that involves a refinancing of a prior existing residential mortgage loan shall not be considered to provide a net tangible benefit to the consumer if the costs of the refinanced loan, including points, fees and other charges, exceed the amount of any newly advanced principal without any corresponding changes in the terms of the refinanced loan that are advantageous to the consumer.

''(3) NET TANGIBLE BENEFIT.—The Federal banking agencies shall jointly prescribe regulations defining the term 'net tangible benefit' for purposes of this subsection.''.

SEC. 203. SAFE HARBOR AND REBUTTABLE PRESUMPTION.

Section 129B of the Truth in Lending Act is amended by inserting after subsection (b) (as added by section 202) the following new subsection:

''(c) PRESUMPTION OF ABILITY TO REPAY AND NET TANGIBLE BENEFIT.—

''(1) IN GENERAL.—Any creditor with respect to any residential mortgage loan, and any assignee or securitizer of such loan, may presume that the loan has met the requirements of subsections (a) and (b), if the loan is a qualified mortgage or a qualified safe harbor mortgage.

''(2) REBUTTABLE PRESUMPTION.—Any presumption established under paragraph (1) with respect to any residential mortgage loan shall be rebuttable only—

''(A) against the creditor of such loan; and

''(B) if such loan is a qualified safe harbor mortgage.

''(3) DEFINITIONS.—For purposes of this section the following definitions shall apply:

''(A) MOST RECENT CONVENTIONAL MORTGAGE RATE.—The term 'most recent conventional mortgage rate' means the contract interest rate on commitments for fixed-rate first mortgages most recently published in the Federal Reserve Statistical Release on selected interest rates (daily or weekly), and commonly referred to as the H.15 release (or any successor publication), in the week preceding a date of determination for purposes of applying this subsection.

''(B) QUALIFIED MORTGAGE.—The term 'qualified mortgage' means—

''(i) any residential mortgage loan that constitutes a first lien on the dwelling or real property securing the loan and either—

''(I) has an annual percentage rate that does not equal or exceed the yield on securities issued by the Secretary of the Treasury under chapter 31 of title 31, United States Code, that bear comparable periods of maturity by more than 3 percentage points; or

''(II) has an annual percentage rate that does not equal or exceed the most recent conventional mortgage rate, or such other annual percentage rate as may be established by regulation under paragraph (6), by more than 175 basis points;

''(ii) any residential mortgage loan that is not the first lien on the dwelling or real property securing the loan and either—

''(I) has an annual percentage rate that does not equal or exceed the yield on securities issued by the Secretary of the Treasury under chapter 31 of title 31, United States Code, that bear comparable periods of maturity by more than 5 percentage points; or

''(II) has an annual percentage rate that does not equal or exceed the most recent conventional mortgage rate, or such other annual percentage rate as may be established by regulation under paragraph (6), by more than 375 basis points; and

''(iii) a loan made or guaranteed by the Secretary of Veterans Affairs.

''(C) QUALIFIED SAFE HARBOR MORTGAGE.—The term 'qualified safe harbor mortgage' means any residential mortgage loan—

''(i) for which the income and financial resources of the consumer are verified and documented;

''(ii) for which the residential mortgage loan underwriting process is based on the fully-indexed rate, and takes into account all applicable taxes, insurance, and assessments;

''(iii) which does not provide for a repayment schedule that results in negative amortization at any time;

''(iv) meets such other requirements as may be established by regulation; and

''(v) for which any of the following factors apply with respect to such loan:

''(I) The periodic payment amount for principal and interest are fixed for a minimum of 5 years under the terms of the loan.

''(II) In the case of a variable rate loan, the annual percentage rate varies based on a margin that is less than 3 percent over a single generally accepted interest rate index that is the basis for determining the rate of interest for the mortgage.

''(III) The loan does not cause the consumer's total monthly debts, including amounts under the loan, to exceed a percentage established by regulation of his or her monthly gross income or such other maximum percentage of such income as may be prescribed by regulation under paragraph (6).

''(4) DETERMINATION OF COMPARISON TO TREASURY SECURITIES.—

''(A) IN GENERAL.—Without regard to whether a residential mortgage loan is subject to or reportable under the Home Mortgage Disclosure Act of 1975 and subject to subparagraph (B), the difference between the annual percentage rate of such loan and the yield on securities issued by the Secretary of the Treasury under chapter 31 of title 31, United States Code, having comparable periods of maturity shall be determined using the same procedures and methods of calculation applicable to loans that are subject to the reporting requirements under the Home Mortgage Disclosure Act of 1975.

''(B) DATE OF DETERMINATION OF YIELD.—The yield on the securities referred to in subparagraph (A) shall be determined, for purposes of such subparagraph and paragraph (3) with respect to any residential mortgage loan, as of the 15th day of the month preceding the month in which a completed application is submitted for such loan.

''(5) APR IN CASE OF INTRODUCTORY OFFER.—For purposes of making a determination of whether a residential mortgage loan that provides for a fixed interest rate for an introductory period and then resets or adjusts to a variable rate is a qualified mortgage, the determination of the annual percentage rate, as determined in accordance with regulations prescribed by the Board under section 107, shall be based on the greater of the introductory rate and the fully indexed rate of interest.

''(6) REGULATIONS.—

''(A) IN GENERAL.—The Federal banking agencies shall jointly prescribe regulations to carry out the purposes of this subsection.

''(B) REVISION OF SAFE HARBOR CRITERIA.—The Federal banking agencies may jointly prescribe regulations that revise, add to, or subtract from the criteria that define a qualified mortgage and a qualified safe harbor mortgage to the extent necessary and appropriate to effectuate the purposes of this subsection, to prevent circumvention or evasion of this subsection, or to facilitate compliance with this subsection.

''(7) RULE OF CONSTRUCTION.—No provision of this subsection may be construed as implying that a residential mortgage loan may be presumed to violate subsection (a) or (b) if such loan is not a qualified mortgage or a qualified safe harbor mortgage.''.

SEC. 204. LIABILITY.

Section 129B of the Truth in Lending Act is amended by inserting after subsection (c) (as added by section 203) the following new subsection:

''(d) LIABILITY FOR VIOLATIONS.—

''(1) IN GENERAL.—

''(A) RESCISSION.—In addition to any other liability under this title for a violation by a creditor of subsection (a) or (b) (for example under section 130) and subject to the statute of limitations in paragraph (7), a civil action may be maintained against a creditor for a violation of subsection (a) or (b) with respect to a residential mortgage loan for the rescission of the loan, and such additional costs as the obligor may have incurred as a result of the violation and in connection with obtaining a rescission of the loan, including a reasonable attorney's fee.

''(B) CURE.—A creditor shall not be liable for rescission under subparagraph (A) with respect to a residential mortgage loan if, no later than 90 days after the receipt of notification from the consumer that the loan violates subsection (a) or (b), the creditor provides a cure.

''(2) LIMITED ASSIGNEE AND SECURITIZER LIABILITY.—Notwithstanding sections 125(e) and 131 and except as provided in paragraph (3), a civil action which may be maintained against a creditor with respect to a residential mortgage loan for a violation of subsection (a) or (b) may be maintained against any assignee or securitizer of such residential mortgage loan, who has acted in good faith, for the following liabilities only:

''(A) Rescission of the loan.

''(B) Such additional costs as the obligor may have incurred as a result of the violation and in connection with obtaining a rescission of the loan, including a reasonable attorney's fee.

''(3) ASSIGNEE AND SECURITIZER EXEMPTION.—No assignee or securitizer of a residential mortgage loan shall be liable under paragraph (2) with respect to such loan if—

''(A) no later than 90 days after the receipt of notification from the consumer that the loan violates subsection (a) or (b), the assignee or securitizer provides a cure so that the loan satisfies the requirements of subsections (a) and (b); or

''(B) each of the following conditions are met:

''(i) The assignee or securitizer—

''(I) has a policy against buying residential mortgage loans other than qualified mortgages or qualified safe harbor mortgages (as defined in subsection (c));

''(II) the policy is intended to verify seller or assignor compliance with the representations and warranties required under clause (ii); and

''(III) in accordance with regulations which the Federal banking agencies and the Securities and Exchange Commission shall jointly prescribe, exercises reasonable due diligence to adhere to such policy in purchasing residential mortgage loans, including through adequate, thorough, and consistently applied sampling procedures.

''(ii) The contract under which such assignee or securitizer acquired the residential mortgage loan from a seller or assignor of the loan contains representations and warranties that the seller or assignor—

''(I) is not selling or assigning any residential mortgage loan which is not a qualified mortgage or a qualified safe harbor mortgage; or

''(II) is a beneficiary of a representation and warranty from a previous seller or assignor to that effect,

and the assignee or securitizer in good faith takes reasonable steps to obtain the benefit of such representation or warranty.

''(4) CURE DEFINED.—For purposes of this subsection, the term 'cure' means, with respect to a residential mortgage loan that violates subsection (a) or (b), the modification or refinancing, at no cost to the consumer, of the loan to provide terms that would have satisfied the requirements of subsection (a) and (b) if the loan had contained such terms as of the origination of the loan.

''(5) DISAGREEMENT OVER CURE.—If any creditor, assignee, or securitizer and a consumer fail to reach agreement on a cure with respect to a residential mortgage loan that violates subsection (a) or (b), or the consumer fails to accept a cure proffered by a creditor, assignee, or securitizer—

''(A) the creditor, assignee, or securitizer may provide the cure; and

''(B) the consumer may challenge the adequacy of the cure during the 6-month period beginning when the cure is provided.

If the consumer's challenge, under this paragraph, of a cure is successful, the creditor, assignee, or securitizer shall be liable to the consumer for rescission of the loan and such additional costs under paragraph (2).

''(6) INABILITY TO PROVIDE RESCISSION.—If a creditor, assignee, or securitizer cannot provide rescission under paragraph (1) or (2), the liability of such creditor, assignee, or securitizer shall be met by providing the financial equivalent of a rescission, together with such additional costs as the obligor may have incurred as a result of the violation and in connection with obtaining a rescission of the loan, including a reasonable attorney's fee.

''(7) NO CLASS ACTIONS AGAINST ASSIGNEE OR SECURITIZER UNDER PARAGRAPH (2).—Only individual actions may be brought against an assignee or securitizer of a residential mortgage loan for a violation of subsection (a) or (b).

''(8) STATUTE OF LIMITATIONS.—The liability of a creditor, assignee, or securitizer under this subsection shall apply in any original action against a creditor under paragraph (1) or an assignee or securitizer under paragraph (2) which is brought before—

''(A) in the case of any residential mortgage loan other than a loan to which subparagraph (B) applies, the end of the 3-year period beginning on the date the loan is consummated; or

''(B) in the case of a residential mortgage loan that provides for a fixed interest rate for an introductory period and then resets or adjusts to

a variable rate or that provides for a nonamortizing payment schedule and then converts to an amortizing payment schedule, the earlier of—

''(i) the end of the 1-year period beginning on the date of such reset, adjustment, or conversion; or

''(ii) the end of the 6-year period beginning on the date the loan is consummated.

''(9) POOLS AND INVESTORS IN POOLS EXCLUDED.—In the case of residential mortgage loans acquired or aggregated for the purpose of including such loans in a pool of assets held for the purpose of issuing or selling instruments representing interests in such pools including through a securitization vehicle, the terms 'assignee' and 'securitizer', as used in this section, do not include the securitization vehicle, the pools of such loans or any original or subsequent purchaser of any interest in the securitization vehicle or any instrument representing a direct or indirect interest in such pool.''.

SEC. 205. DEFENSE TO FORECLOSURE.

Section 129B of the Truth in Lending Act is amended by inserting after subsection (d) (as added by section 204) the following new subsection:

''(e) DEFENSE TO FORECLOSURE.—Notwithstanding any other provision of law—

''(1) when the holder of a residential mortgage loan or anyone acting for such holder initiates a judicial or nonjudicial foreclosure—

''(A) a consumer who has the right to rescind under this section with respect to such loan against the creditor or any assignee or securitizer may assert such right as a defense to foreclosure or counterclaim to such foreclosure against the holder, or

''(B) if the foreclosure proceeding begins after the end of the period during which a consumer may bring an action for rescission under subsection (d), the consumer may seek actual damages incurred by reason of the violation which gave rise to the right of rescission, together with costs of the action, including a reasonable attorney's fee against the creditor or any assignee or securitizer; and

''(2) such holder or anyone acting for such holder or any other applicable third party may sell, transfer, convey, or assign a residential mortgage loan to a creditor, any assignee, or any securitizer, or their designees, to effect a rescission or cure.''.

SEC. 206. ADDITIONAL STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—Section 129B of the Truth in Lending Act is amended by inserting after subsection (e) (as added by section 205) the following new subsections:

''(f) PROHIBITION ON CERTAIN PREPAYMENT PENALTIES.—

''(1) PROHIBITED ON CERTAIN LOANS.—A residential mortgage loan that is not a qualified mortgage (as defined in subsection (c)) may not contain terms under which a consumer must pay a prepayment penalty for paying all or part of the principal after the loan is consummated.

''(2) PROHIBITED AFTER INITIAL PERIOD ON LOANS WITH A RESET.—A qualified mortgage with a fixed interest rate for an introductory period that adjusts or resets after such period may not contain terms under which a consumer must pay a prepayment penalty for paying all or part of the principal after the beginning of the 3-month period ending on the date of the adjustment or reset.

''(g) SINGLE PREMIUM CREDIT INSURANCE PROHIBITED.—No creditor may finance, directly or indirectly, in connection with any residential mortgage loan or with any extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer (other than a reverse mortgage), any credit life, credit disability, credit unemployment or credit property insurance, or any other accident, loss-of-income, life or health insurance, or any payments directly or indirectly for any debt cancellation or suspension agreement or contract, except that insurance premiums or debt cancellation or suspension fees calculated and paid in full on a monthly basis shall not be considered financed by the creditor.

''(h) ARBITRATION.—

''(1) IN GENERAL.—No residential mortgage loan and no extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer, other than a reverse mortgage, may include terms which require arbitration or any other nonjudicial procedure as the method for resolving any controversy or settling any claims arising out of the transaction.

''(2) POST-CONTROVERSY AGREEMENTS.—Subject to paragraph (3), paragraph (1) shall not be construed as limiting the right of the consumer and the creditor, any assignee, or any securitizer to agree to arbitration or any other nonjudicial procedure as the method for resolving any controversy at any time after a dispute or claim under the transaction arises.

''(3) NO WAIVER OF STATUTORY CAUSE OF ACTION.—No provision of any residential mortgage loan or of any extension of credit under an open end consumer credit plan secured by the principal dwelling of the consumer (other than a reverse mortgage), and no other agreement between the consumer and the creditor relating to the residential mortgage loan or extension of credit referred to in paragraph (1), shall be applied or interpreted so as to bar a consumer from bringing an action in an appropriate district court of the United States, or any other court of competent jurisdiction, pursuant to section 130 or any other provision of law, for damages or other relief in connection with any alleged violation of this section, any other provision of this title, or any other Federal law.

''(i) DUTY OF SECURITIZER TO RETAIN ACCESS TO LOANS.—Any securitizer shall reserve the right and preserve an ability, in any document or contract establishing any pool of assets that includes any residential mortgage loan—

''(1) to identify and obtain access to any such loan in the pool; and

''(2) to provide for and obtain a remedy under this title for the obligor under any such loan.

''(j) EFFECT OF FORECLOSURE ON PREEXISTING LEASE.—

''(1) IN GENERAL.—In the case of any foreclosure on any dwelling or residential real property securing an extension of credit made under a contract entered into after the date of the enactment of the Mortgage Reform and Anti-Predatory Lending Act of 2007, any successor in interest in such property pursuant to the foreclosure shall assume such interest subject to—

''(A) any bona fide lease made to a bona fide tenant entered into before the notice of foreclosure; and

''(B) the rights of any bona fide tenant without a lease or with a lease terminable at will under State law and the provision, by the successor in interest, of a notice to vacate to the tenant at least 90 days before the effective date of the notice.

''(2) BONA FIDE LEASE OR TENANCY.—For purposes of this section, a lease or tenancy shall be considered bona fide only if—

''(A) the lease or tenancy was the result of an arms-length transaction; or

''(B) the lease or tenancy requires the tenant to pay rent that is not substantially less than fair market rent for the property.

''(k) MORTGAGES WITH NEGATIVE AMORTIZATION.—No creditor may extend credit to a first-time borrower in connection with a consumer credit transaction under an open or closed end consumer credit plan secured by a dwelling or residential real property that includes a dwelling, other than a reverse mortgage, that provides or permits a payment plan that may, at any time over the term of the extension of credit, result in negative amortization unless, before such transaction is consummated—

''(1) the creditor provides the consumer with a statement that—

''(A) the pending transaction will or may, as the case may be, result in negative amortization;

''(B) describes negative amortization in such manner as the Federal banking agencies shall prescribe;

''(C) negative amortization increases the outstanding principal balance of the account; and

''(D) negative amortization reduces the consumer's equity in the dwelling or real property; and

''(2) the consumer provides the creditor with sufficient documentation to demonstrate that the consumer received homeownership counseling from organizations or counselors certified by the Secretary of Housing and Urban Development as competent to provide such counseling.

''(l) ANNUAL CONTACT INFORMATION.—At least once annually and whenever there is a change in ownership of a residential mortgage loan, the servicer with respect to a residential mortgage loan shall provide a written notice to the consumer identifying the name of the creditor or any assignee or securitizer who should be contacted by the consumer for any reason concerning the consumer's rights with respect to the loan.''.

(b) CONFORMING AMENDMENT RELATING TO ENFORCEMENT.—Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607(a)) is amended by inserting after paragraph (6) the following new paragraph:

''(7) sections 21B and 21C of the Securities Exchange Act of 1934, in the case of a broker or dealer, other than a depository institution, by the Securities and Exchange Commission.''.

SEC. 207. RULE OF CONSTRUCTION.

Except as otherwise expressly provided in section 129A or 129B of the Truth in Lending Act (as added by this Act), no provision of such section 129A or 129B shall be construed as superseding, repealing, or affecting any duty, right, obligation, privilege, or remedy of any person under any other provision of the Truth in Lending Act or any other provision of Federal or State law.

SEC. 208. EFFECT ON STATE LAWS.

(a) IN GENERAL.—Section 129B(d) of the Truth in Lending Act (as added by section 204) shall supersede any State law that provides additional remedies against any assignee, securitizer, or securitization vehicle, and the remedies described in such section shall constitute the sole remedies against any assignee, securitizer, or securitization vehicle, for a violation of subsection (a) or (b) of section 129B of such Act (relating to ability to repay or net tangible benefit) or any other State law arising out of or relating to the specific subject matter of subsection (a) or (b) of such section 129B.

(b) RULE OF CONSTRUCTION.—No provision of this section shall be construed as limiting the application of any State law against a creditor. Nor shall any provision of this section be construed as limiting the application of any State law against any assignee, securitizer, or securitization vehicle that does not arise out of or relate to, or provide additional remedies in connection with, the specific subject matter of subsection (a) or (b) of section 129B of the Truth in Lending Act.

SEC. 209. REGULATIONS.

Regulations required or authorized to be prescribed under this title or the amendments made by this title—

(1) shall be prescribed in final form before the end of the 12-month period beginning on the date of the enactment of this Act; and

(2) shall take effect not later than 18 months after the date of the enactment of this Act.

SEC. 210. AMENDMENTS TO CIVIL LIABILITY PROVISIONS.

(a) INCREASE IN AMOUNT OF CIVIL MONEY PENALTIES FOR CERTAIN VIOLATIONS.—Section 130(a)(2) of the Truth in Lending Act (15 U.S.C. 1640(a)(2)) is amended—

(1) by striking ''$100'' and inserting ''$200'';

(2) by striking ''$1,000'' and inserting ''$2,000'';

(3) by striking ''$200'' and inserting ''$400'';

(4) by striking ''$2,000'' and inserting ''$4,000''; and

(5) by striking ''$500,000'' and inserting ''$1,000,000''.

(b) STATUTE OF LIMITATIONS EXTENDED FOR SECTION 129 VIOLATIONS.—Section 130(e) of the Truth in Lending Act (15 U.S.C. 1640(e)) is amended—

(1) in the first sentence, by striking ''Any action'' and inserting ''Except as provided in the subsequent sentence, any action''; and

(2) by inserting after the first sentence the following new sentence: ''Any action under this section with respect to any violation of section 129 may be brought in any United States district court, or in any other court of competent jurisdiction, before the end of the 3-year period beginning on the date of the occurrence of the violation.''.

SEC. 211. REQUIRED DISCLOSURES.

(a) ADDITIONAL INFORMATION.—Section 128(a) of Truth in Lending Act (15 U.S.C. 1638(a)) is amended by adding at the end the following new paragraphs:

''(16) In the case of an extension of credit that is secured by the dwelling of a consumer, under which the annual rate of interest is variable, or with respect to which the regular payments may otherwise be variable, in addition to the other disclosures required under this subsection, the disclosures provided under this subsection shall state the maximum amount of the regular required payments on the loan, based on the maximum interest rate allowed, introduced with the following language in conspicuous type size and format: 'Your payment can go as high as $____', the blank to be filled in with the maximum possible payment amount.

''(17) In the case of a residential mortgage loan for which an escrow or impound account will be established for the payment of all applicable taxes, insurance, and assessments, the following statement: 'Your payments will be increased to cover taxes and insurance. In the first year, you will pay an additional $____ [insert the amount of the monthly payment to the account] every month to cover the costs of taxes and insurance.'.

''(18) In the case of a variable rate residential mortgage loan for which an escrow or impound account will be established for the payment of all applicable taxes, insurance, and assessments—

''(A) the amount of initial monthly payment due under the loan for the payment of principal and interest, and the amount of such initial monthly payment including the monthly payment deposited in the account for the payment of all applicable taxes, insurance, and assessments; and

''(B) the amount of the fully indexed monthly payment due under the loan for the payment of principal and interest, and the amount of such fully indexed monthly payment including the monthly payment deposited in the account for the payment of all applicable taxes, insurance, and assessments.

''(19) In the case of a residential mortgage loan, the aggregate amount of settlement charges for all settlement services provided in connection with the loan, the amount of charges that are included in the loan and the amount of such charges the borrower must pay at closing, the approximate amount of the wholesale rate of funds in connection with the loan, and the aggregate amount of other fees or required payments in connection with the loan.

''(20) In the case of a residential mortgage loan, the aggregate amount of fees paid to the mortgage originator in connection with the loan, the amount of such fees paid directly by the consumer, and any additional amount received by the originator from the creditor based on the interest rate of the loan.''.

(b) TIMING.—Section 128(b) of the Truth in Lending Act (15 U.S.C. 1638(b)) is amended by adding at the end the following new paragraph:

''(4) RESIDENTIAL MORTGAGE LOAN DISCLOSURES.—In the case of a residential mortgage loan, the information required to be disclosed under subsection (a) with respect to such loan shall be disclosed before the earlier of—

''(A) the time required under the first sentence of paragraph (1); or

''(B) the end of the 3-day period beginning on the date the application for the loan from a consumer is received by the creditor.''.

(c) ENHANCED MORTGAGE LOAN DISCLOSURES.—Section 128(b)(2) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)) is amended—

(1) by striking ''(2) In the'' and inserting the following:

''(2) MORTGAGE DISCLOSURES.—

''(A) IN GENERAL.—In the'';

(2) by striking ''a residential mortgage transaction, as defined in section 103(w)'' and inserting ''any extension of credit that is secured by the dwelling of a consumer'';

(3) by striking ''shall be made in accordance'' and all that follows through ''extended, or'';

(4) by striking ''If the'' and all that follows through the end of the paragraph and inserting the following new subparagraphs:

''(B) STATEMENT AND TIMING OF DISCLOSURES.—In the case of an extension of credit that is secured by the dwelling of a consumer, in addition to the other disclosures required by subsection (a), the disclosures provided under this paragraph shall state in conspicuous type size and format, the following: 'You are not required to complete this agreement merely because you have received these disclosures or signed a loan application.'.

''(i) state in conspicuous type size and format, the following: 'You are not required to complete this agreement merely because you have received these disclosures or signed a loan application.'; and

''(ii) be furnished to the borrower not later than 7 business days before the date of consummation of the transaction, subject to subparagraph (D).

''(C) VARIABLE RATES OR PAYMENT SCHEDULES.—In the case of an extension of credit that is secured by the dwelling of a consumer, under which the annual rate of interest is variable, or with respect to which the regular payments may otherwise be variable, in addition to the other disclosures required by subsection (a), the disclosures provided under this paragraph shall label the payment schedule as follows: 'Payment Schedule: Payments Will Vary Based on Interest Rate Changes.'.

''(D) UPDATING APR.—In any case in which the disclosure statement provided 7 business days before the date of consummation of the transaction contains an annual percentage rate of interest that is no longer accurate, as determined under section 107(c), the creditor shall furnish an additional, corrected statement to the borrower, not later than 3 business days before the date of consummation of the transaction.''.

SEC. 212. AUTHORIZATION OF APPROPRIATIONS.

For fiscal years 2008, 2009, 2010, 2011, and 2012, there are authorized to be appropriated to the Attorney General a total of—

(1) $31,250,000 to support the employment of 30 additional agents of the Federal Bureau of Investigation and 2 additional dedicated prosecutors at the Department of Justice to coordinate prosecution of mortgage fraud efforts with the offices of the United States Attorneys; and

(2) $750,000 to support the operations of interagency task forces of the Federal Bureau of Investigation in the areas with the 15 highest concentrations of mortgage fraud.

SEC. 213. EFFECTIVE DATE.

The amendments made by this title shall apply to transactions consummated on or after the effective date of the regulations specified in Section 209.

TITLE III—HIGH-COST MORTGAGES

SEC. 301. DEFINITIONS RELATING TO HIGH-COST MORTGAGES.

(a) HIGH-COST MORTGAGE DEFINED.—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)) is amended by striking all that precedes paragraph (2) and inserting the following:

''(aa) HIGH-COST MORTGAGE.—

''(1) DEFINITION.—

''(A) IN GENERAL.—The term 'high-cost mortgage', and a mortgage referred to in this subsection, means a consumer credit transaction that is secured by the consumer's principal dwelling, other than a reverse mortgage transaction, if—

''(i) in the case of a credit transaction secured—

''(I) by a first mortgage on the consumer's principal dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 8 percentage points the yield on Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the application for the extension of credit is received by the creditor; or

''(II) by a subordinate or junior mortgage on the consumer's principal dwelling, the annual percentage rate at consummation of the transaction will exceed by more than 10 percentage points the yield on Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the application for the extension of credit is received by the creditor;

''(ii) the total points and fees payable in connection with the transaction exceed—

''(I) in the case of a transaction for $20,000 or more, 5 percent (8 percent if the dwelling is personal property) of the total transaction amount; or

''(II) in the case of a transaction for less than $20,000, the lesser of 8 percent of the total transaction amount or $1,000; or

''(iii) the credit transaction documents permit the creditor to charge or collect prepayment fees or penalties more than 36 months after the transaction closing or such fees or penalties exceed, in the aggregate, more than 2 percent of the amount prepaid.

''(B) INTRODUCTORY RATES TAKEN INTO ACCOUNT.—For purposes of subparagraph (A)(i), the annual percentage rate of interest shall be determined based on the following interest rate:

''(i) In the case of a fixed-rate transaction in which the annual percentage rate will not vary during the term of the loan, the interest rate in effect on the date of consummation of the transaction.

''(ii) In the case of a transaction in which the rate of interest varies solely in accordance with an index, the interest rate determined by adding the index rate in effect on the date of consummation of the transaction to the maximum margin permitted at any time during the transaction agreement.

''(iii) In the case of any other transaction in which the rate may vary at any time during the term of the loan for any reason, the interest charged on the transaction at the maximum rate that may be charged during the term of the transaction.''.

(b) ADJUSTMENT OF PERCENTAGE POINTS.—Section 103(aa)(2) of the Truth in Lending Act (15 U.S.C. 1602(aa)(2)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

''(B) An increase or decrease under subparagraph (A)—

''(i) may not result in the number of percentage points referred to in paragraph (1)(A)(i)(I) being less than 6 percentage points or greater than 10 percentage points; and

''(ii) may not result in the number of percentage points referred to in paragraph (1)(A)(i)(II) being less than 8 percentage points or greater than 12 percentage points.''.

(c) POINTS AND FEES DEFINED.—

(1) IN GENERAL.—Section 103(aa)(4) of the Truth in Lending Act (15 U.S.C. 1602(aa)(4)) is amended—

(A) by striking subparagraph (B) and inserting the following:

''(B) all compensation paid directly or indirectly by a consumer or creditor to a mortgage broker from any source, including a mortgage originator that originates a loan in the name of the originator in a table-funded transaction;'';

(B) in subparagraph (C)(ii), by inserting ''except where applied to the charges set forth in section 106(e)(1) where a creditor may receive indirect compensation solely as a result of obtaining distributions of profits from an affiliated entity based on its ownership interest in compliance with section 8(c)(4) of the Real Estate Settlement Procedures Act of 1974'' before the semicolon at the end;

(C) in subparagraph (C)(iii), by striking ''; and'' and inserting '', except as provided for in clause (ii);'';

(D) by redesignating subparagraph (D) as subparagraph (G); and

(E) by inserting after subparagraph (C) the following new subparagraphs:

''(D) premiums or other charges payable at or before closing for any credit life, credit disability, credit unemployment, or credit property insurance, or any other accident, loss-of-income, life or health insurance, or any payments directly or indirectly for any debt cancellation or suspension agreement or contract, except that insurance premiums or debt cancellation or suspension fees calculated and paid in full on a monthly basis shall not be considered financed by the creditor;

''(E) except as provided in subsection (cc), the maximum prepayment fees and penalties which may be charged or collected under the terms of the credit transaction;

''(F) all prepayment fees or penalties that are incurred by the consumer if the loan refinances a previous loan made or currently held by the same creditor or an affiliate of the creditor; and''.

(2) CALCULATION OF POINTS AND FEES FOR OPEN-END CONSUMER CREDIT PLANS.—Section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa)) is amended—

(A) by redesignating paragraph (5) as paragraph (6); and

(B) by inserting after paragraph (4) the following new paragraph:

''(5) CALCULATION OF POINTS AND FEES FOR OPEN-END CONSUMER CREDIT PLANS.—In the case of open-end consumer credit plans, points and fees shall be calculated, for purposes of this section and section 129, by adding the total points and fees known at or before closing, including the maximum prepayment penalties which may be charged or collected under the terms of the credit transaction, plus the minimum additional fees the consumer would be required to pay to draw down an amount equal to the total credit line.''.

(d) HIGH COST MORTGAGE LENDER.—Section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended by striking the last sentence and inserting the following new sentence: ''Any person who originates or brokers 2 or more mortgages referred to in subsection (aa) in any 12-month period, any person who originates 1 or more such mortgages through a mortgage broker in any 12 month period, or, in connection with a table funding transaction of such a mortgage, any person to whom the obligation is initially assigned at or after settlement shall be considered to be a creditor for purposes of this title.''.

(e) BONA FIDE DISCOUNT LOAN DISCOUNT POINTS AND PREPAYMENT PENALTIES.—Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by inserting after subsection (cc) (as added by section 121) the following new subsection:

''(dd) BONA FIDE DISCOUNT POINTS AND PREPAYMENT PENALTIES.—For the purposes of determining the amount of points and fees for purposes of subsection (aa), either the amounts described in paragraphs (1) or (4) of the following paragraphs, but not both, may be excluded:

''(1) EXCLUSION OF BONA FIDE DISCOUNT POINTS.—The discount points described in 1 of the following subparagraphs shall be excluded from determining the amounts of points and fees with respect to a high-cost mortgage for purposes of subsection (aa):

''(A) Up to and including 2 bona fide discount points payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage's interest rate will be discounted does not exceed by more than 1 percentage point the required net yield for a 90-day standard mandatory delivery commitment for a reasonably comparable loan from either the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greater.

''(B) Unless 2 bona fide discount points have been excluded under subparagraph (A), up to and including 1 bona fide discount point payable by the consumer in connection with the mortgage, but only if the interest rate from which the mortgage's interest rate will be discounted does not exceed by more than 2 percentage points the required net yield for a 90-day standard mandatory delivery commitment for a reasonably comparable loan from either the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greater.

''(2) DEFINITION.—For purposes of paragraph (1), the term 'bona fide discount points' means loan discount points which are knowingly paid by the consumer for the purpose of reducing, and which in fact result in a bona fide reduction of, the interest rate or time-price differential applicable to the mortgage.

''(3) EXCEPTION FOR INTEREST RATE REDUCTIONS INCONSISTENT WITH INDUSTRY NORMS.—Paragraph (1) shall not apply to discount points used to purchase an interest rate reduction unless the amount of the interest rate reduction purchased is reasonably consistent with established industry norms and practices for secondary mortgage market transactions.

''(4) ALLOWANCE OF CONVENTIONAL PREPAYMENT PENALTY.—Subsection (aa)(1)(4)(E) shall not apply so as to include a prepayment penalty or fee that is authorized by law other than this title and may be imposed pursuant to the terms of a high-cost mortgage (or other consumer credit transaction secured by the consumer's principal dwelling) if—

''(A) the annual percentage rate applicable with respect to such mortgage or transaction (as determined for purposes of subsection (aa)(1)(A)(i))—

''(i) in the case of a first mortgage on the consumer's principal dwelling, does not exceed by more than 2 percentage points the yield on Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the application for the extension of credit is received by the creditor; or

''(ii) in the case of a subordinate or junior mortgage on the consumer's principal dwelling, does not exceed by more than 4 percentage points the yield on such Treasury securities; and

''(B) the total amount of any prepayment fees or penalties permitted under the terms of the high-cost mortgage or transaction does not exceed 2 percent of the amount prepaid.''.

SEC. 302. AMENDMENTS TO EXISTING REQUIREMENTS FOR CERTAIN MORTGAGES.

(a) PREPAYMENT PENALTY PROVISIONS.—Section 129(c)(2) of the Truth in Lending Act (15 U.S.C. 1639(c)(2)) is amended—

(1) by striking ''and'' after the semicolon at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following new subparagraph:

''(D) the amount of the principal obligation of the mortgage exceeds the maximum principal obligation limitation (for the applicable size residence) under section 203(b)(2) of the National Housing Act for the area in which the residence subject to the mortgage is located; and''.

(b) NO BALLOON PAYMENTS.—Section 129(e) of the Truth in Lending Act (15 U.S.C. 1639(e)) is amended to read as follows:

''(e) NO BALLOON PAYMENTS.—No high-cost mortgage may contain a scheduled payment that is more than twice as large as the average of earlier scheduled payments. This subsection shall not apply when the payment schedule is adjusted to the seasonal or irregular income of the consumer.''.

(c) NO LENDING WITHOUT DUE REGARD TO ABILITY TO REPAY.—Section 129(h) of the Truth in Lending Act (15 U.S.C. 1639(h)) is amended—

(1) by striking ''PAYMENT ABILITY OF CONSUMER.—A creditor shall not'' and inserting ''PAYMENT ABILITY OF CONSUMER.—

''(1) PATTERN OR PRACTICE.—

''(A) IN GENERAL.—A creditor shall not'';

(2) by inserting after subparagraph (A) (as so designated by paragraph (1) of this subsection) the following new subparagraph:

''(B) PRESUMPTION OF VIOLATION.—There shall be a presumption that a creditor has violated this subsection if the creditor engages in a pattern or practice of making high-cost mortgages without verifying or documenting the repayment ability of consumers with respect to such mortgages.''; and

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

''(2) PROHIBITION ON EXTENDING CREDIT WITHOUT REGARD TO PAYMENT ABILITY OF CONSUMER.—

''(A) IN GENERAL.—A creditor may not extend credit to a consumer under a high-cost mortgage unless a reasonable creditor would believe at the time the mortgage is closed that the consumer or consumers that are residing or will reside in the residence subject to the mortgage will be able to make the scheduled payments associated with the mortgage, based upon a consideration of current and expected income, current obligations, employment status, and other financial resources, other than equity in the residence.

''(B) PRESUMPTION OF ABILITY.—For purposes of this subsection, there shall be a rebuttable presumption that a consumer is able to make the scheduled payments to repay the obligation if, at the time the high-cost mortgage is consummated, the consumer's total monthly debts, including amounts under the mortgage, do not exceed 50 percent of his or her monthly gross income as verified by tax returns, payroll receipts, or other third-party income verification.''.

SEC. 303. ADDITIONAL REQUIREMENTS FOR CERTAIN MORTGAGES.

(a) ADDITIONAL REQUIREMENTS FOR CERTAIN MORTGAGES.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended—

(1) by redesignating subsections (j), (k) and (l) as subsections (n), (o) and (p) respectively; and

(2) by inserting after subsection (i) the following new subsections:

''(j) RECOMMENDED DEFAULT.—No creditor shall recommend or encourage default on an existing loan or other debt prior to and in connection with the closing or planned closing of a high-cost mortgage that refinances all or any portion of such existing loan or debt.

''(k) LATE FEES.—

''(1) IN GENERAL.—No creditor may impose a late payment charge or fee in connection with a high-cost mortgage—

''(A) in an amount in excess of 4 percent of the amount of the payment past due;

''(B) unless the loan documents specifically authorize the charge or fee;

''(C) before the end of the 15-day period beginning on the date the payment is due, or in the case of a loan on which interest on each installment is paid in advance, before the end of the 30-day period beginning on the date the payment is due; or

''(D) more than once with respect to a single late payment.

''(2) COORDINATION WITH SUBSEQUENT LATE FEES.—If a payment is otherwise a full payment for the applicable period and is paid on its due date or within an applicable grace period, and the only delinquency or insufficiency of payment is attributable to any late fee or delinquency charge assessed on any earlier payment, no late fee or delinquency charge may be imposed on such payment.

''(3) FAILURE TO MAKE INSTALLMENT PAYMENT.—If, in the case of a loan agreement the terms of which provide that any payment shall first be applied to any past due principal balance, the consumer fails to make an installment payment and the consumer subsequently resumes making installment payments but has not paid all past due installments, the creditor may impose a separate late payment charge or fee for any principal due (without deduction due to late fees or related fees) until the default is cured.

''(l) ACCELERATION OF DEBT.—No high-cost mortgage may contain a provision which permits the creditor, in its sole discretion, to accelerate the indebtedness. This provision shall not apply when repayment of the loan has been accelerated by default, pursuant to a due-on-sale provision, or pursuant to a material violation of some other provision of the loan documents unrelated to the payment schedule.

''(m) RESTRICTION ON FINANCING POINTS AND FEES.—No creditor may directly or indirectly finance, in connection with any high-cost mortgage, any of the following:

''(1) Any prepayment fee or penalty payable by the consumer in a refinancing transaction if the creditor or an affiliate of the creditor is the noteholder of the note being refinanced.

''(2) Any points or fees.''.

(b) PROHIBITIONS ON EVASIONS.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (p) (as so redesignated by subsection (a)(1)) the following new subsection:

''(q) PROHIBITIONS ON EVASIONS, STRUCTURING OF TRANSACTIONS, AND RECIPROCAL ARRANGEMENTS.—A creditor may not take any action in connection with a high-cost mortgage—

''(1) to structure a loan transaction as an open-end credit plan or another form of loan for the purpose and with the intent of evading the provisions of this title; or

''(2) to divide any loan transaction into separate parts for the purpose and with the intent of evading provisions of this title.''.

(c) MODIFICATION OR DEFERRAL FEES.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (q) (as added by subsection (b) of this section) the following new subsection:

''(r) MODIFICATION AND DEFERRAL FEES PROHIBITED.—A creditor may not charge a consumer any fee to modify, renew, extend, or amend a high-cost mortgage, or to defer any payment due under the terms of such mortgage, unless the modification, renewal, extension or amendment results in a lower annual percentage rate on the mortgage for the consumer and then only if the amount of the fee is comparable to fees imposed for similar transactions in connection with consumer credit transactions that are secured by a consumer's principal dwelling and are not high-cost mortgages.''.

(d) PAYOFF STATEMENT.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (r) (as added by subsection (c) of this section) the following new subsection:

''(s) PAYOFF STATEMENT.—

''(1) FEES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no creditor or servicer may charge a fee for informing or transmitting to any person the balance due to pay off the outstanding balance on a high-cost mortgage.

''(B) TRANSACTION FEE.—When payoff information referred to in subparagraph (A) is provided by facsimile transmission or by a courier service, a creditor or servicer may charge a processing fee to cover the cost of such transmission or service in an amount not to exceed an amount that is comparable to fees imposed for similar services provided in connection with consumer credit transactions that are secured by the consumer's principal dwelling and are not high-cost mortgages.

''(C) FEE DISCLOSURE.—Prior to charging a transaction fee as provided in subparagraph (B), a creditor or servicer shall disclose that payoff balances are available for free pursuant to subparagraph (A).

''(D) MULTIPLE REQUESTS.—If a creditor or servicer has provided payoff information referred to in subparagraph (A) without charge, other than the transaction fee allowed by subparagraph (B), on 4 occasions during a calendar year, the creditor or servicer may thereafter charge a reasonable fee for providing such information during the remainder of the calendar year.

''(2) PROMPT DELIVERY.—Payoff balances shall be provided within 5 business days after receiving a request by a consumer or a person authorized by the consumer to obtain such information.''.

(e) PRE-LOAN COUNSELING REQUIRED.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (s) (as added by subsection (d) of this section) the following new subsection:

''(t) PRE-LOAN COUNSELING.—

''(1) IN GENERAL.—A creditor may not extend credit to a consumer under a high-cost mortgage without first receiving certification from a counselor that is approved by the Secretary of Housing and Urban Development, or at the discretion of the Secretary, a state housing finance authority, that the consumer has received counseling on the advisability of the mortgage. Such counselor shall not be employed by the creditor or an affiliate of the creditor or be affiliated with the creditor.

''(2) DISCLOSURES REQUIRED PRIOR TO COUNSELING.—No counselor may certify that a consumer has received counseling on the advisability of the high-cost mortgage unless the counselor can verify that the consumer has received each statement required (in connection with such loan) by this section or the Real Estate Settlement Procedures Act of 1974 with respect to the transaction.

''(3) REGULATIONS.—The Secretary of Housing and Urban Development may prescribe such regulations as the Secretary determines to be appropriate to carry out the requirements of paragraph (1).''.

(f) FLIPPING PROHIBITED.—Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (t) (as added by subsection (e)) the following new subsection:

''(u) FLIPPING.—

''(1) IN GENERAL.—No creditor may knowingly or intentionally engage in the unfair act or practice of flipping in connection with a high-cost mortgage.

''(2) FLIPPING DEFINED.—For purposes of this subsection, the term 'flipping' means the making of a loan or extension of credit in the form a high-cost mortgage to a consumer which refinances an existing mortgage when the new loan or extension of credit does not have reasonable, tangible net benefit to the consumer considering all of the circumstances, including the terms of both the new and the refinanced loans or credit, the cost of the new loan or credit, and the consumer's circumstances.

''(3) TANGIBLE NET BENEFIT.—The Board may prescribe regulations, in the discretion of the Board, defining the term 'tangible net benefit' for purposes of this subsection.''.

SEC. 304. AMENDMENT TO PROVISION GOVERNING CORRECTION OF ERRORS.

Section 130(b) of the Truth in Lending Act (15 U.S.C. 1640(b)) is amended to read as follows:

''(b) CORRECTION OF ERRORS.—A creditor has no liability under this section or section 108 or 112 for any failure to comply with any requirement imposed under this chapter or chapter 5, if—

''(1) within 30 days of the loan closing and prior to the institution of any action, the consumer is notified of or discovers the violation, appropriate restitution is made, and whatever adjustments are necessary are made to the loan to either, at the choice of the consumer—

''(A) make the loan satisfy the requirements of this chapter; or

''(B) in the case of a high-cost mortgage, change the terms of the loan in a manner beneficial to the consumer so that the loan will no longer be a high-cost mortgage; or

''(2) within 60 days of the creditor's discovery or receipt of notification of an unintentional violation or bona fide error as described in subsection (c) and prior to the institution of any action, the consumer is notified of the compliance failure, appropriate restitution is made, and whatever adjustments are necessary are made to the loan to either, at the choice of the consumer—

''(A) make the loan satisfy the requirements of this chapter; or

''(B) in the case of a high-cost mortgage, change the terms of the loan in a manner beneficial so that the loan will no longer be a high-cost mortgage.''.

SEC. 305. REGULATIONS.

(a) IN GENERAL.—The Board of Governors of the Federal Reserve System shall publish regulations implementing this title and the amendments made by this title in final form before the end of the 6-month period beginning on the date of the enactment of this Act.

(b) CONSUMER MORTGAGE EDUCATION.—

(1) REGULATIONS.—The Board of Governors of the Federal Reserve System may prescribe regulations requiring or encouraging creditors to provide consumer mortgage education to prospective customers or direct such customers to qualified consumer mortgage education or counseling programs in the vicinity of the residence of the consumer.

(2) COORDINATION WITH STATE LAW.—No requirement established by the Board of Governors of the Federal Reserve System pursuant to paragraph (1) shall be construed as affecting or superseding any requirement under the law of any State with respect to consumer mortgage counseling or education.

SEC. 306. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of the enactment of this Act and shall apply to mortgages referred to in section 103(aa) of the Truth in Lending Act (15 U.S.C. 1602(aa) consummated on or after that date.

TITLE IV—OFFICE OF HOUSING COUNSELING

SEC. 401. SHORT TITLE.

This title may be cited as the ''Expand and Preserve Home Ownership Through Counseling Act''.

SEC. 402. ESTABLISHMENT OF OFFICE OF HOUSING COUNSELING.

Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following new subsection:

''(g) OFFICE OF HOUSING COUNSELING.—

''(1) ESTABLISHMENT.—There is established, in the Office of the Secretary, the Office of Housing Counseling.

''(2) DIRECTOR.—There is established the position of Director of Housing Counseling. The Director shall be the head of the Office of Housing Counseling and shall be appointed by the Secretary. Such position shall be a career-reserved position in the Senior Executive Service.

''(3) FUNCTIONS.—

''(A) IN GENERAL.—The Director shall have ultimate responsibility within the Department, except for the Secretary, for all activities and matters relating to homeownership counseling and rental housing counseling, including—

''(i) research, grant administration, public outreach, and policy development relating to such counseling; and

''(ii) establishment, coordination, and administration of all regulations, requirements, standards, and performance measures under programs and laws administered by the Department that relate to housing counseling, homeownership counseling (including maintenance of homes), mortgage-related counseling (including home equity conversion mortgages and credit protection options to avoid foreclosure), and rental housing counseling, including the requirements, standards, and performance measures relating to housing counseling.

''(B) SPECIFIC FUNCTIONS.—The Director shall carry out the functions assigned to the Director and the Office under this section and any other provisions of law. Such functions shall include establishing rules necessary for—

''(i) the counseling procedures under section 106(g)(1) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(h)(1));

''(ii) carrying out all other functions of the Secretary under section 106(g) of the Housing and Urban Development Act of 1968, including the establishment, operation, and publication of the availability of the toll-free telephone number under paragraph (2) of such section;

''(iii) carrying out section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604) for home buying information booklets prepared pursuant to such section;

''(iv) carrying out the certification program under section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e));

''(v) carrying out the assistance program under section 106(a)(4) of the Housing and Urban Development Act of 1968, including criteria for selection of applications to receive assistance;

''(vi) carrying out any functions regarding abusive, deceptive, or unscrupulous lending practices relating to residential mortgage loans that the Secretary considers appropriate, which shall include conducting the study under section 6 of the Expand and Preserve Home Ownership Through Counseling Act;

''(vii) providing for operation of the advisory committee established under paragraph (4) of this subsection;

''(viii) collaborating with community-based organizations with expertise in the field of housing counseling; and

''(ix) providing for the building of capacity to provide housing counseling services in areas that lack sufficient services.

''(4) ADVISORY COMMITTEE.—

''(A) IN GENERAL.—The Secretary shall appoint an advisory committee to provide advice regarding the carrying out of the functions of the Director.

''(B) MEMBERS.—Such advisory committee shall consist of not more than 12 individuals, and the membership of the committee shall equally represent all aspects of the mortgage and real estate industry, including consumers.

''(C) TERMS.—Except as provided in subparagraph (D), each member of the advisory committee shall be appointed for a term of 3 years. Members may be reappointed at the discretion of the Secretary.

''(D) TERMS OF INITIAL APPOINTEES.—As designated by the Secretary at the time of appointment, of the members first appointed to the advisory committee, 4 shall be appointed for a term of 1 year and 4 shall be appointed for a term of 2 years.

''(E) PROHIBITION OF PAY; TRAVEL EXPENSES.—Members of the advisory committee shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

''(F) ADVISORY ROLE ONLY.—The advisory committee shall have no role in reviewing or awarding housing counseling grants.

''(5) SCOPE OF HOMEOWNERSHIP COUNSELING.—In carrying out the responsibilities of the Director, the Director shall ensure that homeownership counseling provided by, in connection with, or pursuant to any function, activity, or program of the Department addresses the entire process of homeownership, including the decision to purchase a home, the selection and purchase of a home, issues arising during or affecting the period of ownership of a home (including refinancing, default and foreclosure, and other financial decisions), and the sale or other disposition of a home.''.

SEC. 403. COUNSELING PROCEDURES.

(a) IN GENERAL.—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended by adding at the end the following new subsection:

''(g) PROCEDURES AND ACTIVITIES.—

''(1) COUNSELING PROCEDURES.—

''(A) IN GENERAL.—The Secretary shall establish, coordinate, and monitor the administration by the Department of Housing and Urban Development of the counseling procedures for homeownership counseling and rental housing counseling provided in connection with any program of the Department, including all requirements, standards, and performance measures that relate to homeownership and rental housing counseling.

''(B) HOMEOWNERSHIP COUNSELING.—For purposes of this subsection and as used in the provisions referred to in this subparagraph, the term 'homeownership counseling' means counseling related to homeownership and residential mortgage loans. Such term includes counseling related to homeownership and residential mortgage loans that is provided pursuant to—

''(i) section 105(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(20));

''(ii) in the United States Housing Act of 1937—

''(I) section 9(e) (42 U.S.C. 1437g(e));

''(II) section 8(y)(1)(D) (42 U.S.C. 1437f(y)(1)(D));

''(III) section 18(a)(4)(D) (42 U.S.C. 1437p(a)(4)(D));

''(IV) section 23(c)(4) (42 U.S.C. 1437u(c)(4));

''(V) section 32(e)(4) (42 U.S.C. 1437z–4(e)(4));

''(VI) section 33(d)(2)(B) (42 U.S.C. 1437z–5(d)(2)(B));

''(VII) sections 302(b)(6) and 303(b)(7) (42 U.S.C. 1437aaa–1(b)(6), 1437aaa–2(b)(7)); and

''(VIII) section 304(c)(4) (42 U.S.C. 1437aaa–3(c)(4));

''(iii) section 302(a)(4) of the American Homeownership and Economic Opportunity Act of 2000 (42 U.S.C. 1437f note);

''(iv) sections 233(b)(2) and 258(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2), 12808(b));

''(v) this section and section 101(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x, 1701w(e));

''(vi) section 220(d)(2)(G) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4110(d)(2)(G));

''(vii) sections 422(b)(6), 423(b)(7), 424(c)(4), 442(b)(6), and 443(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12872(b)(6), 12873(b)(7), 12874(c)(4), 12892(b)(6), and 12893(b)(6));

''(viii) section 491(b)(1)(F)(iii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11408(b)(1)(F)(iii));

''(ix) sections 202(3) and 810(b)(2)(A) of the Native American Housing and Self-Determination Act of 1996 (25 U.S.C. 4132(3), 4229(b)(2)(A));

''(x) in the National Housing Act—

''(I) in section 203 (12 U.S.C. 1709), the penultimate undesignated paragraph of paragraph (2) of subsection (b), subsection (c)(2)(A), and subsection (r)(4);

''(II) subsections (a) and (c)(3) of section 237 (12 U.S.C. 1715z–2); and

''(III) subsections (d)(2)(B) and (m)(1) of section 255 (12 U.S.C. 1715z–20);

''(xi) section 502(h)(4)(B) of the Housing Act of 1949 (42 U.S.C. 1472(h)(4)(B)); and

''(xii) section 508 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–7).

''(C) RENTAL HOUSING COUNSELING.—For purposes of this subsection, the term 'rental housing counseling' means counseling related to rental of residential property, which may include counseling regarding future homeownership opportunities and providing referrals for renters and prospective renters to entities providing counseling and shall include counseling related to such topics that is provided pursuant to—

''(i) section 105(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(20));

''(ii) in the United States Housing Act of 1937—

''(I) section 9(e) (42 U.S.C. 1437g(e));

''(II) section 18(a)(4)(D) (42 U.S.C. 1437p(a)(4)(D));

''(III) section 23(c)(4) (42 U.S.C. 1437u(c)(4));

''(IV) section 32(e)(4) (42 U.S.C. 1437z–4(e)(4));

''(V) section 33(d)(2)(B) (42 U.S.C. 1437z–5(d)(2)(B)); and

''(VI) section 302(b)(6) (42 U.S.C. 1437aaa–1(b)(6));

''(iii) section 233(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2));

''(iv) section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x);

''(v) section 422(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12872(b)(6));

''(vi) section 491(b)(1)(F)(iii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11408(b)(1)(F)(iii));

''(vii) sections 202(3) and 810(b)(2)(A) of the Native American Housing and Self-Determination Act of 1996 (25 U.S.C. 4132(3), 4229(b)(2)(A)); and

''(viii) the rental assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

''(2) STANDARDS FOR MATERIALS.—The Secretary, in conjunction with the advisory committee established under subsection (g)(4) of the Department of Housing and Urban Development Act, shall establish standards for materials and forms to be used, as appropriate, by organizations providing homeownership counseling services, including any recipients of assistance pursuant to subsection (a)(4).

''(3) MORTGAGE SOFTWARE SYSTEMS.—

''(A) CERTIFICATION.—The Secretary shall provide for the certification of various computer software programs for consumers to use in evaluating different residential mortgage loan proposals. The Secretary shall require, for such certification, that the mortgage software systems take into account—

''(i) the consumer's financial situation and the cost of maintaining a home, including insurance, taxes, and utilities;

''(ii) the amount of time the consumer expects to remain in the home or expected time to maturity of the loan;

''(iii) such other factors as the Secretary considers appropriate to assist the consumer in evaluating whether to pay points, to lock in an interest rate, to select an adjustable or fixed rate loan, to select a conventional or government-insured or guaranteed loan and to make other choices during the loan application process.

If the Secretary determines that available existing software is inadequate to assist consumers during the residential mortgage loan application process, the Secretary shall arrange for the development by private sector software companies of new mortgage software systems that meet the Secretary's specifications.

''(B) USE AND INITIAL AVAILABILITY.—Such certified computer software programs shall be

used to supplement, not replace, housing counseling. The Secretary shall provide that such programs are initially used only in connection with the assistance of housing counselors certified pursuant to subsection (e).

''(C) AVAILABILITY.—After a period of initial availability under subparagraph (B) as the Secretary considers appropriate, the Secretary shall take reasonable steps to make mortgage software systems certified pursuant to this paragraph widely available through the Internet and at public locations, including public libraries, senior-citizen centers, public housing sites, offices of public housing agencies that administer rental housing assistance vouchers, and housing counseling centers.

''(4) NATIONAL PUBLIC SERVICE MULTIMEDIA CAMPAIGNS TO PROMOTE HOUSING COUNSELING.—

''(A) IN GENERAL.—The Director of Housing Counseling shall develop, implement, and conduct national public service multimedia campaigns designed to make persons facing mortgage foreclosure, persons considering a subprime mortgage loan to purchase a home, elderly persons, persons who face language barriers, low-income persons, and other potentially vulnerable consumers aware that it is advisable, before seeking or maintaining a residential mortgage loan, to obtain homeownership counseling from an unbiased and reliable sources and that such homeownership counseling is available, including through programs sponsored by the Secretary of Housing and Urban Development.

''(B) CONTACT INFORMATION.—Each segment of the multimedia campaign under subparagraph (A) shall publicize the toll-free telephone number and web site of the Department of Housing and Urban Development through which persons seeking housing counseling can locate a housing counseling agency in their State that is certified by the Secretary of Housing and Urban Development and can provide advice on buying a home, renting, defaults, foreclosures, credit issues, and reverse mortgages.

''(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary, not to exceed $3,000,000 for fiscal years 2008, 2009, and 2010, for the develop, implement, and conduct of national public service multimedia campaigns under this paragraph.

''(5) EDUCATION PROGRAMS.—The Secretary shall provide advice and technical assistance to States, units of general local government, and nonprofit organizations regarding the establishment and operation of, including assistance with the development of content and materials for, educational programs to inform and educate consumers, particularly those most vulnerable with respect to residential mortgage loans (such as elderly persons, persons facing language barriers, low-income persons, and other potentially vulnerable consumers), regarding home mortgages, mortgage refinancing, home equity loans, and home repair loans.''.

(b) CONFORMING AMENDMENTS TO GRANT PROGRAM FOR HOMEOWNERSHIP COUNSELING ORGANIZATIONS.—Section 106(c)(5)(A)(ii) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(A)(ii)) is amended—

(1) in subclause (III), by striking ''and'' at the end;

(2) in subclause (IV) by striking the period at the end and inserting ''; and''; and

(3) by inserting after subclause (IV) the following new subclause:

''(V) notify the housing or mortgage applicant of the availability of mortgage software systems provided pursuant to subsection (g)(3).''.

SEC. 404. GRANTS FOR HOUSING COUNSELING ASSISTANCE.

Section 106(a) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(3)) is amended by adding at the end the following new paragraph:

''(4) HOMEOWNERSHIP AND RENTAL COUNSELING ASSISTANCE.—

''(A) IN GENERAL.—The Secretary shall make financial assistance available under this paragraph to States, units of general local governments, and nonprofit organizations providing homeownership or rental counseling (as such terms are defined in subsection (g)(1)).

''(B) QUALIFIED ENTITIES.—The Secretary shall establish standards and guidelines for eligibility of organizations (including governmental and nonprofit organizations) to receive assistance under this paragraph.

''(C) DISTRIBUTION.—Assistance made available under this paragraph shall be distributed in a manner that encourages efficient and successful counseling programs.

''(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $45,000,000 for each of fiscal years 2008 through 2011 for—

''(i) the operations of the Office of Housing Counseling of the Department of Housing and Urban Development;

''(ii) the responsibilities of the Secretary under paragraphs (2) through (5) of subsection (g); and

''(iii) assistance pursuant to this paragraph for entities providing homeownership and rental counseling.''.

SEC. 405. REQUIREMENTS TO USE HUD-CERTIFIED COUNSELORS UNDER HUD PROGRAMS.

Section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) REQUIREMENT FOR ASSISTANCE.—An organization may not receive assistance for counseling activities under subsection (a)(1)(iii), (a)(2), (a)(4), (c), or (d) of this section, or under section 101(e), unless the organization, or the individuals through which the organization provides such counseling, has been certified by the Secretary under this subsection as competent to provide such counseling.'';

(2) in paragraph (2)—

(A) by inserting ''and for certifying organizations'' before the period at the end of the first sentence; and

(B) in the second sentence by striking ''for certification'' and inserting '', for certification of an organization, that each individual through which the organization provides counseling shall demonstrate, and, for certification of an individual,'';

(3) in paragraph (3), by inserting ''organizations and'' before ''individuals'';

(4) by redesignating paragraph (3) as paragraph (5); and

(5) by inserting after paragraph (2) the following new paragraphs:

''(3) REQUIREMENT UNDER HUD PROGRAMS.—Any homeownership counseling or rental housing counseling (as such terms are defined in subsection (g)(1)) required under, or provided in connection with, any program administered by the Department of Housing and Urban Development shall be provided only by organizations or counselors certified by the Secretary under this subsection as competent to provide such counseling.

''(4) OUTREACH.—The Secretary shall take such actions as the Secretary considers appropriate to ensure that individuals and organizations providing homeownership or rental housing counseling are aware of the certification requirements and standards of this subsection and of the training and certification programs under subsection (f).''.

SEC. 406. STUDY OF DEFAULTS AND FORECLOSURES.

The Secretary of Housing and Urban Development shall conduct an extensive study of the root causes of default and foreclosure of home loans, using as much empirical data as are available. The study shall also examine the role of escrow accounts in helping prime and nonprime borrowers to avoid defaults and foreclosures. Not later than 12 months after the date of the enactment of this Act, the Secretary shall submit to the Congress a preliminary report regarding the study. Not later than 24 months after such date of enactment, the Secretary shall submit a final report regarding the results of the study, which shall include any recommended legislation relating to the study, and recommendations for best practices and for a process to identify populations that need counseling the most.

SEC. 407. DEFINITIONS FOR COUNSELING-RELATED PROGRAMS.

Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x), as amended by the preceding provisions of this title, is further amended by adding at the end the following new subsection:

''(h) DEFINITIONS.—For purposes of this section:

''(1) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' has the meaning given such term in section 104(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(5)), except that subparagraph (D) of such section shall not apply for purposes of this section.

''(2) STATE.—The term 'State' means each of the several States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territories of the Pacific, or any other possession of the United States.

''(3) UNIT OF GENERAL LOCAL GOVERNMENT.—The term 'unit of general local government' means any city, county, parish, town, township, borough, village, or other general purpose political subdivision of a State.''.

SEC. 408. UPDATING AND SIMPLIFICATION OF MORTGAGE INFORMATION BOOKLET.

Section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604) is amended—

(1) in the section heading, by striking ''SPECIAL'' and inserting ''HOME BUYING'';

(2) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) PREPARATION AND DISTRIBUTION.—The Secretary shall prepare, at least once every 5 years, a booklet to help consumers applying for federally related mortgage loans to understand the nature and costs of real estate settlement services. The Secretary shall prepare the booklet in various languages and cultural styles, as the Secretary determines to be appropriate, so that the booklet is understandable and accessible to homebuyers of different ethnic and cultural backgrounds. The Secretary shall distribute such booklets to all lenders that make federally related mortgage loans. The Secretary shall also distribute to such lenders lists, organized by location, of homeownership counselors certified under section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) for use in complying with the requirement under subsection (c) of this section.

''(b) CONTENTS.—Each booklet shall be in such form and detail as the Secretary shall prescribe and, in addition to such other information as the Secretary may provide, shall include in plain and understandable language the following information:

''(1) A description and explanation of the nature and purpose of the costs incident to a real estate settlement or a federally related mortgage loan. The description and explanation shall provide general information about the mortgage process as well as specific information concerning, at a minimum—

''(A) balloon payments;

''(B) prepayment penalties; and

''(C) the trade-off between closing costs and the interest rate over the life of the loan.

''(2) An explanation and sample of the uniform settlement statement required by section 4.

''(3) A list and explanation of lending practices, including those prohibited by the Truth in Lending Act or other applicable Federal law, and of other unfair practices and unreasonable

or unnecessary charges to be avoided by the prospective buyer with respect to a real estate settlement.

''(4) A list and explanation of questions a consumer obtaining a federally related mortgage loan should ask regarding the loan, including whether the consumer will have the ability to repay the loan, whether the consumer sufficiently shopped for the loan, whether the loan terms include prepayment penalties or balloon payments, and whether the loan will benefit the borrower.

''(5) An explanation of the right of rescission as to certain transactions provided by sections 125 and 129 of the Truth in Lending Act.

''(6) A brief explanation of the nature of a variable rate mortgage and a reference to the booklet entitled 'Consumer Handbook on Adjustable Rate Mortgages', published by the Board of Governors of the Federal Reserve System pursuant to section 226.19(b)(1) of title 12, Code of Federal Regulations, or to any suitable substitute of such booklet that such Board of Governors may subsequently adopt pursuant to such section.

''(7) A brief explanation of the nature of a home equity line of credit and a reference to the pamphlet required to be provided under section 127A of the Truth in Lending Act.

''(8) Information about homeownership counseling services made available pursuant to section 106(a)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(4)), a recommendation that the consumer use such services, and notification that a list of certified providers of homeownership counseling in the area, and their contact information, is available.

''(9) An explanation of the nature and purpose of escrow accounts when used in connection with loans secured by residential real estate and the requirements under section 10 of this Act regarding such accounts.

''(10) An explanation of the choices available to buyers of residential real estate in selecting persons to provide necessary services incidental to a real estate settlement.

''(11) An explanation of a consumer's responsibilities, liabilities, and obligations in a mortgage transaction.

''(12) An explanation of the nature and purpose of real estate appraisals, including the difference between an appraisal and a home inspection.

''(13) Notice that the Office of Housing of the Department of Housing and Urban Development has made publicly available a brochure regarding loan fraud and a World Wide Web address and toll-free telephone number for obtaining the brochure.

The booklet prepared pursuant to this section shall take into consideration differences in real estate settlement procedures that may exist among the several States and territories of the United States and among separate political subdivisions within the same State and territory.'';

(3) in subsection (c), by inserting at the end the following new sentence: ''Each lender shall also include with the booklet a reasonably complete or updated list of homeownership counselors who are certified pursuant to section 106(e) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(e)) and located in the area of the lender.''; and

(4) in subsection (d), by inserting after the period at the end of the first sentence the following: ''The lender shall provide the HUD-issued booklet in the version that is most appropriate for the person receiving it.''.

TITLE V—MORTGAGE DISCLOSURES UNDER REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974

SEC. 501. UNIVERSAL MORTGAGE DISCLOSURE IN GOOD FAITH ESTIMATE OF SETTLEMENT SERVICES COSTS.

(a) IN GENERAL.—Section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604) is amended—

(1) in subsection (c), by adding after the period at the end the following: ''Each such good faith estimate shall include the disclosure required under subsection (f) in the form prescribed by the Secretary pursuant to such subsection, except that if the Secretary at any time issues any regulations requiring the use of a standard or uniform form or statement in providing the good faith estimate required under this subsection and prescribing such standard or uniform form or statement, such disclosure shall not be required after the effective date of such regulations.''; and

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

''(f) UNIVERSAL MORTGAGE DISCLOSURE REQUIREMENT FOR GOOD FAITH ESTIMATES.—

''(1) DISCLOSURE.—The disclosure required under this subsection is a written statement regarding the federally related mortgage loan for which the good faith estimate under subsection (c) is made, that consists of the following statements, appropriately and in good faith completed by the lender in accordance with the terms of the federally related mortgage loan involved in the settlement:

''(A) 'Your Loan Amount will be' and '$_____', each statement appearing in a separate column of the disclosure.

''(B) 'Your Loan is', 'A Fixed Rate Loan', and 'An Adjustable Rate Loan ', each statement appearing in a separate column and each of the last two such statements preceded by a checkbox.

''(C) 'Your Loan Term is', '_____ years', and '_____ years', each statement appearing in a separate column, and the second such statement shall appear in the same column as the statement required by subparagraph (B) regarding fixed rate loans and the third such statement shall appear in the same column as the statement required by subparagraph (B) regarding adjustable rate loans;

''(D) 'Your Estimated Interest Rate (APR) is', '_____%', and '_____% initially, then it will adjust. In _____ months, Your rate may adjust to a maximum of _____%', each statement appearing in a separate column, the second such statement shall appear in the same column as the statement required by subparagraph (B) regarding fixed rate loans and the third such statement shall appear in the same column as the statement required by subparagraph (B) regarding adjustable rate loans, and the blanks relating to estimated interest rate shall be completed by the lender using an annual percentage rate determined in accordance with the Truth in Lending Act.

''(E) 'Your Total Estimated Monthly Payment (Including loan Principal and Interest, and property Taxes (based on current rates) and Insurance (PITI)) is', '$_____ which represents _____% of Your estimated monthly income', and '$_____ which represents _____% of Your estimated monthly income. When Your interest rate initially adjusts, Your maximum monthly payment may be as high as $_____ which represents _____% of Your estimated monthly income', each statement appearing in a separate column, and the second such statement shall appear in the same column as the statement required by subparagraph (B) regarding fixed rate loans and the third such statement shall appear in the same column as the statement required by subparagraph (B) regarding adjustable rate loans.

''(F) 'Your Rate Lock Period is' and '_____ days. After You lock into Your interest rate, You must go to settlement within this number of days to be guaranteed this interest rate.', each statement appearing in a separate column.

''(G) 'Does Your loan have a prepayment penalty?', 'YES, Your maximum prepayment penalty is $_____', and 'NO', the first such statement and the last two such statements appearing in a separate column, and each of the last two such statements preceded by a checkbox.

''(H) 'Does Your loan have a balloon payment?', 'YES, Your balloon payment of $_____ is due in _____ months', and 'NO', the first such statement and the last two such statements appearing in a separate column, and each of the last two such statements preceded by a checkbox.

''(I) 'Your Total Estimated Settlement Charges Will be $_____ (a)' and 'Your Total Estimated Down Payment will be $_____ (b)', each statement appearing in a separate column.

''(J) 'Your Total Estimated Cash Needed at Closing Will Be' and '$_____ (a+b)', each statement appearing in a separate column.

''(K) 'This represents a simple summary of Your Good Faith Estimate (GFE). To understand the terms of Your loan, You must see disclosure forms and the Truth in Lending Act.', such statement appearing directly below the entirety of the remainder of the disclosure.

''(2) STANDARD FORM.—

''(A) DEVELOPMENT AND USE.—The Secretary, in consultation with the Secretary of Veterans Affairs, the Federal Deposit Insurance Corporation, and the Director of the Office of Thrift Supervision, shall develop and prescribe a standard form for the disclosure required under this subsection, which shall be used without variation in all transactions in the United States that involve federally related mortgage loans.

''(B) APPEARANCE.—The standard form developed pursuant to this paragraph shall—

''(i) set forth each statement required under a separate subparagraph under paragraph (1) on a separate row of the disclosure;

''(ii) be set forth in 8-point type;

''(iii) be not more than 6 inches in width or 3.5 inches in height;

''(iv) include such boldface type and shading as the Secretary considers appropriate;

''(v) include such parenthetical statements directing the borrower to the terms of the loan (such as 'see terms') as the Secretary considers appropriate, in such places as the Secretary considers appropriate; and

''(vi) be located in the upper one-third of the first page of the good faith estimate required under subsection (c) in a manner that allows the identity, address, phone number, and other relevant information of the lender, the identity, address, phone number, and other relevant information of the borrower, and the address of the property for which the federally related mortgage loan is to be made, to be located above the standard form.''.

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations prescribing the standard form and the use of such form, as required by the amendment made by subsection (a), not later than the expiration of the 180-day period beginning upon the date of the enactment of this Act, and such regulations shall take effect upon issuance.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 110–450. Each amendment may be offered only in the order printed in the report; by a Member designated in the report; shall be considered read; shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment; shall not be subject to amendment except as specified in the report; and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. FRANK OF MASSACHUSETTS

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in House Report 110–450.

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. FRANK of Massachusetts:

Page 6, strike line 19 and all that follows through line 22 and insert the following new clause:

(iii) does not include any individual who is not otherwise described in clause (i) or (ii) and who performs purely administrative or clerical tasks on behalf of a person who is described in any such clause.

Page 19, strike line 16 and all that follows through line 24, and insert the following new subparagraph:

(B) personal history and experience, including authorization for the Nationwide Mortgage Licensing System and Registry to obtain information related to any administrative, civil or criminal findings by any governmental jurisdiction.

Page 20, line 1, strike ''(b) UNIQUE IDENTIFIER.—The Federal banking agencies'' and insert ''(b) COORDINATION.—

''(1) UNIQUE IDENTIFIER.—The Federal banking agencies''.

Page 20, after line 9, insert the following new paragraph:

(2) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY DEVELOPMENT.—To facilitate the transfer of information required by subsection (a)(2), the Nationwide Mortgage Licensing System and Registry shall coordinate with the Federal banking agencies, through the Financial Institutions Examination Council, concerning the development and operation, by such System and Registry, of the registration functionality and data requirements for loan originators.

Page 37, line 22, strike the closing quotation marks and the second period.

Page 37, after line 22, insert the following new paragraph:

''(10) SERVICER.—The term 'servicer' has the same meaning as in section 6(i)(2) of the Real Estate Settlement Procedures Act of 1974.''.

Page 38, beginning on line 12, strike '', registered, and, when required, licensed'' and insert ''and, when required, registered and licensed''.

Page 40, line 22, strike ''to repay and'' and all that follows through line 25 and insert ''to repay and, in the case of a refinancing of an existing residential mortgage loan, receives a net tangible benefit, as determined in accordance with regulations prescribed under subsections (a) and (b) of section 129B.''

Page 41, line 20, insert '', the Chairman of the State Liaison Committee to the Financial Institutions Examination Council,'' after ''Secretary''.

Page 43, line 13, strike ''**ANTI-STEERING**'' **AND INSERT ''PROHIBITION ON STEERING INCENTIVES**''.

Page 43, line 18, strike ''IN GENERAL'' and insert ''AMOUNT OF ORIGINATOR COMPENSATION CANNOT VARY BASED ON TERMS''

Page 43, beginning on line 20, strike ''(including yield spread premium)'' and insert '', including yield spread premium or any equivalent compensation or gain,''.

Page 44, line 1, strike ''ANTI-STEERING REGULATIONS'' and insert ''REGULATIONS''.

Page 44, line 9, insert ''(in accordance with regulations prescribed under section 129B(a))'' before the semicolon.

Page 44, line 10, insert ''in the case of a refinancing of a residential mortgage loan,'' after (ii).

Page 44, line 11, insert ''(in accordance with regulations prescribed under section 129B(b))'' before the semicolon.

Page 45, strike line 6 and all that follows through line 11 and insert the following new subparagraph:

''(B) restricting a consumer's ability to finance, including through rate or principal, any origination fees or costs permitted under this subsection, or the originator's ability to receive such fees or costs (including compensation) from any person, so long as such fees or costs were fully and clearly disclosed to the consumer earlier in the application process as required by 129A(a)(1)(C)(ii) and do not vary based on the terms of the loan or the consumer's decision about whether to finance such fees or costs; or''.

Page 61, after line 15, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

''(4) ABSENT PARTIES.—

''(A) ABSENT CREDITOR.—Notwithstanding the exemption provided in paragraph (3), if the creditor with respect to a residential mortgage loan made in violation of subsection (a) or (b) has ceased to exist as a matter of law or has filed for bankruptcy protection under title 11, United States Code, or has had a receiver or liquidating agent appointed, a consumer may maintain a civil action against an assignee to cure, but not rescind, the residential mortgage loan, plus the costs and reasonable attorney's fees incurred in obtaining such remedy.

''(B) ABSENT CREDITOR AND ASSIGNEE.—Notwithstanding the exemption provided in paragraph (3), if the creditor with respect to a residential mortgage loan made in violation of subsection (a) or (b) and each assignee of such loan have ceased to exist as a matter of law or have filed for bankruptcy protection under title 11, United States Code, or have had receivers or liquidating agents appointed, the consumer may maintain the civil action referred to in subparagraph (A) against the securitizer.''.

Page 61, line 23, insert ''and the payment of such additional costs as the obligor may have incurred as a result of the violation and in connection with obtaining a cure of the loan, including a reasonable attorney's fee'' before the period.

Page 62, line 15, insert ''OR OBTAIN'' after ''PROVIDE''.

Page 62, line 16, insert '', or a consumer cannot obtain,'' after ''cannot provide''.

Page 65, line 6, insert ''and the consumer would have had a valid basis for such an action if it had been brought before the end of such period'' after ''subsection (d)''.

Page 66, beginning on line 21, strike ''that insurance premiums'' and insert ''that—

''(1) insurance premiums''.

Page 66, line 24, strike the period and insert ''; and''.

Page 66, after line 24, insert the following new paragraph:

''(2) this subsection shall not apply to credit unemployment insurance for which the unemployment insurance premiums are reasonable and at no additional cost to the consumer, the creditor receives no direct or indirect compensation in connection with the unemployment insurance premiums, and the unemployment insurance premiums are paid pursuant to another insurance contract and not paid to an affiliate of the creditor.''.

Page 69, strike line 1 and all that follows through line 9 and insert the following new subparagraphs:

''(A) the provision, by the successor in interest, of a notice to vacate to any bona fide tenant at least 90 days before the effective date of the notice to vacate.

''(B) the rights of any bona fide tenant, as of the date of such notice of foreclosure—

''(i) under any bona fide lease entered into before the notice of foreclosure to occupy the premises until the end of the remaining term of the lease or the end of the 6-month period beginning on the date of the notice of foreclosure, whichever occurs first, subject to the receipt by the tenant of the 90-day notice under subparagraph (A); or

''(ii) without a lease or with a lease terminable at will under State law, subject to the receipt by the tenant of the 90-day notice under subparagraph (A); and''.

Page 69, after line 12, insert the following new subparagraph (and redesignate subsequent subparagraphs accordingly):

''(A) the mortgagor under the contract is not the tenant;''.

Page 69, beginning on line 15, strike ''tenant to pay'' and insert ''receipt of''.

Page 69, line 19, strike ''first-time''.

Page 70, line 17, strike ''the consumer'' and insert ''in the case of a first-time borrower with respect to a residential mortgage loan that is not a qualified mortgage, the first-time borrower''.

Page 71, line 25, insert ''or application thereof'' after ''State law''.

Page 72, strike line 5 and all that follows through line 8, and insert ''of such Act or any other State law the terms of which address the specific subject matter of subsection (a) (determination of ability to repay) or (b) (requirement of a net tangible benefit) of such section 129B.''.

Page 72, strike line 9 and all that follows through line 17 and insert the following new subsection:

(b) RULES OF CONSTRUCTION.—No provision of this section shall be construed as limiting—

(1) the application of any State law against a creditor;

(2) the availability of remedies based upon fraud, misrepresentation, deception, false advertising, or civil rights laws—

(A) against any assignee, securitizer, or securitization vehicle for its own conduct relating to the making of a residential mortgage loan to a consumer; or

(B) against any assignee, securitizer, or securitization vehicle in the sale or purchase of residential mortgage loans or securities; or

(3) the application of any other State law against any assignee, securitizer, or securitization vehicle except as specifically provided in subsection (a) of this section.

Page 79, after line 2, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 212. DISCLOSURES REQUIRED IN MONTHLY STATEMENTS FOR RESIDENTIAL MORTGAGE LOANS.

Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following new subsection:

''(e) PERIODIC STATEMENTS FOR RESIDENTIAL MORTGAGE LOANS.—

''(1) IN GENERAL.—The creditor, assignee, or servicer with respect to any residential mortgage loan shall transmit to the obligor, for each billing cycle, a statement setting forth each of the following items, to the extent applicable, in a conspicuous and prominent manner:

''(A) The amount of the principal obligation under the mortgage.

''(B) The current interest rate in effect for the loan.

''(C) The date on which the interest rate may next reset or adjust.

''(D) The amount of any prepayment fee to be charged, if any.

''(E) A description of any late payment fees.

''(F) A telephone number and electronic mail address that may be used by the obligor to obtain information regarding the mortgage.

''(G) Such other information as the Board may prescribe in regulations.

''(2) DEVELOPMENT AND USE OF STANDARD FORM.—The Federal banking agencies shall jointly develop and prescribe a standard form for the disclosure required under this subsection, taking into account that the

statements required may be transmitted in writing or electronically.''.

Page 80, line 23, insert ''(10 percentage points, if the dwelling is personal property and the transaction is for less than $50,000)'' after ''8 percentage points''.

Page 81, beginning on line 19, strike ''(8 percent if the dwelling is personal property)''.

Page 100, line 6, strike ''tangible net benefit'' and insert ''net tangible benefit (as determined in accordance with regulations prescribed under section 129B(b))''.

Page 100, line 10, after the period, insert closing quotation marks and a second period.

Page 100, strike line 11 and all that follows through line 14.

Page 102, line 23, insert ''at the end of the 6-month period beginning'' before ''on the date of''.

Page 102, beginning on line 25, strike ''on or after the date'' and insert ''after the end of such period''.

The CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Massachusetts (Mr. FRANK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, first, this bill makes some substantive changes, including one of the things we came across was the problem of people who were renting who lost their right to live there when there was a foreclosure.

We have compromised in this. I have had some conversations; I will have some further ones with the gentleman from Colorado. But we do try to preserve some protection for the renters in the bill. As passed by committee, we had 12 months. This reduces it some to 6 months as the maximum. We will talk more about it.

Beyond that, there are two things that the manager's amendment clarifies, and I have found from some on the consumer side two objections in this bill, and we deal with these in the manager's amendment and we will deal with them further. One is the issue of preemption.

I think a certain amount of preemption is essential if we are going to have a secondary market, but it is possible to read the language previously as preempting more than we meant to. What this amendment does is to make very clear that, no matter what the issue is, if the problem was based on fraud or misrepresentation, deception, or false advertising, there is no preemption. The ability of people to go after anything that was based on misrepresentation or fraud is fully preserved, whether or not it affected their ability to pay.

Secondly, we have—and I am pleased to note that La Raza and the NAACP support this bill—we included at the insistence of the gentleman from North Carolina and the gentleman from California specific language about civil rights violations. No civil rights violation that a State may have would be preempted.

So we have narrowed the preemption. We have made it clear it does not preempt anything growing out of fraud.

The second issue that has led to some concern, and I am about to yield to my friend from North Carolina (Mr. MILLER) has to do with compensation. It was our intention to say that no one who was originating a loan should be given an incentive to put the consumer in a loan that would charge that consumer more than he or she could otherwise get, and we dealt with that.

The question then came about the way in which brokers are compensated, and we tried to provide two things: One, an absolute prohibition on any incentive to charge people more, but, two, not an interference with the way in which people chose to make those payments.

We thought we had the language clear. Some people think it isn't clear enough. One of the things we will do is to make that clearer.

And I would yield on this point to the gentleman from North Carolina.

Mr. MILLER of North Carolina. I thank the gentleman.

I would now like to engage in a colloquy with Mr. FRANK concerning this. And, Mr. Chairman, both Mr. FRANK and I would deeply appreciate a slow gavel on this particular point.

Mr. FRANK, please direct your attention to the language at the bottom of page 5 of the manager's amendment, clarifying the prohibition against payments to loan originators that vary with the terms of the subprime mortgage, which, as Mr. MURPHY of Connecticut has already pointed out, is an important antisteering provision. The abuse that the prohibition addresses is the payment by lenders to originators, most often brokers, known as a yield spread premium.

Under widespread practice now, lenders pay brokers an additional percentage point in a yield spread premium for every additional half point in interest on the mortgage above the rate that the borrower qualified for. Although borrowers sign a piece of paper agreeing to the payment by the lender, the broker hands the borrower the paper and tells the borrower what the borrower is signing, and most borrowers never realize that the broker makes more money the more that the borrower pays for the mortgage.

I agree with Mr. MURPHY of Connecticut, that is a kickback. It is not a legitimate business practice. It needs to change.

Mr. FRANK, as I understand it, the clarifying language in the new subparagraph does not simply permit what the previous subparagraph forbids, but it is directed to limited circumstances and does not allow any additional total compensation for an originator. Just as a buyer may pay discount points at closing to buy down the interest rate over the life of the loan, subparagraph (B) allows a consumer to pay more in interest over the life of the loan in return for lower costs and fees at closing.

Is that correct?

Mr. FRANK of Massachusetts. Yes. That is absolutely what I believe the language says, and it is certainly our intent.

Mr. MILLER of North Carolina. And is it also correct that any payment by the lender to the broker, or to use the language of the bill, any incentive compensation paid by any person to any originator, based on a higher interest rate, is still forbidden?

Mr. FRANK of Massachusetts. Yes. I would say, and let me just read the language at the bottom of page 4 of the manager's amendment. Those payments ''do not vary based on the terms of the loan or the consumer's decision about whether to finance.''

So we have tried to make it very explicit: Flexibility in method does not in any way reduce the prohibitions that have been stated against an incentive to charge more. And if it is necessary for us to say that again more clearly, as some people may think it is, we will find new ways to say it.

Mr. MILLER of North Carolina. I am glad that Mr. FRANK earlier embraced redundancy as a virtue, but I want to continue even though it may be redundant.

The CHAIRMAN. The gentleman's time has expired.

Mr. FRANK of Massachusetts. Will the gentleman yield me 15 seconds out of his time?

The CHAIRMAN. The gentleman from Alabama has not yet been recognized.

Does the gentleman rise in opposition to the bill?

Mr. BACHUS. Mr. Chairman, I claim time in opposition, although I am not opposed to the bill.

The CHAIRMAN. Without objection, the gentleman from Alabama is recognized for 5 minutes.

There was no objection.

Mr. BACHUS. I yield 15 seconds to the chairman of the committee.

Mr. MILLER of North Carolina. So a mortgage originator under this subparagraph, the one we were speaking of a moment ago, will get paid exactly the same in total compensation, including both the compensation paid by the borrower and the compensation paid by the lender, whether the interest rate is 6 or 8 or 10. Is that right?

Mr. FRANK of Massachusetts. Yes. And also, the total cost of the loan has to be the same.

Mr. MILLER of North Carolina. And so any compensation paid by the lender will be backed out dollar for dollar from what the borrower had agreed to pay; is that correct?

Mr. FRANK of Massachusetts. Yes, yes, yes. I feel like I am in Ulysses here.

Mr. MILLER of North Carolina. I thank the gentleman.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. FEENEY).

Mr. FEENEY. I am grateful to my friend the ranking member and to the chairman, and I do oppose the manager's amendment and the bill. And I don't think there is any difference of

opinion about the crisis in the mortgage markets in America today. I think the difference is on the impact that this bill will have.

The problem in mortgage markets in America today is that for years we had lenders that were giving teaser rate loans, that were taking no paperwork requirements to prove that borrowers had the ability to buy the home and pay for it. And we had lenders making 100 percent, 110 percent, 120 percent loan-to-value loans. And, obviously, that worked fine when property values were increasing. When property values declined, you have got a crisis.

In essence, what has happened is that we have had this wild galloping horse in the credit markets of mortgages that has gotten loose. Now that horse has gotten very sick. There are none of these loans being made. As a matter of fact, credible buyers with paperwork, with 20 or 30 percent equity, can't get access to mortgage loans today in many instances.

What we are doing for this sick horse is to feed it strychnine. The markets having overreacted, we as Congress are going to pile on and kill the horse with poison. And the difference we have about this bill and this manager's amendment is on the impact it will have.

Does it help poor people, middle-income people that want to get access to homeownership? No.

□ 1315

And I would submit for the RECORD an article by Star Parker, who entitles this bill, ''How to Limit Homeownership for the Poor.''

Does this bill help existing homeowners? No, because it will decrease credit availability, which means fewer people will get access to loans. There will be fewer buyers for your home. And the law of supply and demand means that all of our homes will decrease in value because there will be fewer people available to buy.

Who does this bill help? Well, this bill does help landlords. Very few people will be able to buy homes in the future. Very few people will qualify for the credit. So if you are a landlord, you should be thankful. It helps lawyers. As the Wall Street Journal said, this is the 1–800 Sue Your Banker Act. This is the lawyers and landlords relief act.

[From Scripps Howard News Service, Nov. 9, 2007]

HOW TO LIMIT HOME OWNERSHIP FOR THE POOR

(By Star Parker)

The Mortgage Reform and Anti-Predatory Lending Act of 2007 has passed out of Chairman Barney Frank's House Financial Services Committee. It's now headed to the full House for a vote. In the name of protecting the poor from market predators it will in actuality protect the poor from wealth.

This is yet a new chapter in the grand liberal tradition that advances the illusion that government micromanagement of private lives and markets will make us better off. We already have laws against fraud and theft. But for liberals, government isn't there to enforce the law. It's there to run our lives.

The legislation assumes that when private individuals make mistakes they can't figure out what they did wrong and make adjustments and that even if they could they wouldn't.

We're going to wind up with new and onerous regulations in the business of making loans to consumers for purchasing homes, and as a result, fewer loans will be made and we'll all be worse off. Those who will be penalized the most will be the low-income families who the new regulations will supposedly protect.

Should fraud be permitted in our society? No. Should government interfere with private individuals' latitude to determine on their own what risks they wish to take and the willingness of others to finance those risks? Absolutely not.

Frank's bill crosses far over the line into regulating private lives and behavior where he and government have no business.

Why will this hurt the very low-income families it purports to protect?

We already have plenty of experience with the costs of so-called consumer protection laws in general and those designed to regulate mortgage lending in particular.

In a recently published article in the Cato Supreme Court Review, Professor Marcus Cole of the Stanford University Law School discusses the fallout of lending laws in Illinois.

The Illinois Fairness in Lending Act passed in 2005 gives the state oversight authority on loans made in nine designated zip codes in the state. These zip codes are, of course, areas in which residents are mostly lower-income households.

The law places authority in a state bureaucracy to review all applications for mortgages in these designated zip codes. The bureaucrats who review these applications determine if the borrower needs credit counseling and requires the lender to pay for it if required.

The costs of the counseling are estimated to be as high as $700 and can delay the processing of the loan up to a month.

The borrower has no option to forego this counseling, whose objective is ''to protect homebuyers from predatory lending in Cook County's at-risk communities and reduce the incidence of foreclosures.''

What's the result?

Cole reports the following: ''Instead of protecting hardworking would-be homeowners from predatory lending, the new law protected them from credit. Within just a few months more than 30 mortgage lenders refused to lend on homes purchased in the targeted zip codes. Those lenders determined to service these communities saw a rise in their costs, which translated into higher interest rates on their loans.''

The purported cure was worse than the disease. Cole goes on to note that, ''home sales in the designated zip codes dropped an average of 45 percent in just one month after the bill took effect. Home prices plummeted, draining relatively poor but hardworking people of what little equity they had in their homes.''

The experience is similar in other states where governments have authorized bureaucrats to insert themselves between lenders and borrowers. Yes, the number of defaults have declined. They have declined because the number of loans have declined.

The Wall Street Journal reports that currently ''80 percent of subprime loans are being repaid on time and another 10 percent are only 30 days behind.''

These are overwhelmingly loans to low-income families. Probably, under Barney Frank's new regulatory regime, many of these loans would not have been made and the families in these homes would be renting and considerably less wealthy than they are today.

To quote former Texas Rep. Dick Armey, ''freedom works.'' But it can only work if we let it.

Many have paid and are paying a great price for the errors and excesses of recent years. We now should allow private individuals and private markets the opportunity to self correct, which is what will happen.

If government steps in to pre-empt the market and Barney Frank is the one to decide who gets loans, the rich will stay rich, the poor will stay poor, and we'll have one more reason for already skeptical Americans to question the American dream.

Mr. BACHUS. Mr. Chairman, I rise in support of the bipartisan manager's amendment. It makes both technical and substantive changes in the legislation, and I think significant contributions. For example, the amendment incorporates language authored by the gentleman from California (Mr. GARY G. MILLER). His amendment clarifies the bill's anti-steering provisions to ensure that consumers retain the ability to finance points and fees in connection with a mortgage transaction. It also corrects certain problems in the provisions dealing with renters and foreclosed properties that Mr. MARCHANT from Texas raised during the markup. And it addresses some of those problems.

The amendment also includes provisions drafted by the gentlelady from Ohio (Ms. PRYCE) that will give consumers regular updates on the term of their mortgages and advance notice of any impending interest rate adjustments. Now, these are important improvements in the bill. And I again thank Chairman FRANK and the other members who contributed to the manager's amendment, and urge support for the manager's amendment.

I would yield the remaining time that I have to the gentleman from California (Mr. CAMPBELL).

The CHAIRMAN. The gentleman from California is recognized for 1¾ minutes.

Mr. CAMPBELL of California. I thank the ranking member for yielding.

I wish this manager's amendment was going to make this a good bill and improve this bill, but it is not making it a good bill.

We have a patient that is sick. That is the mortgage market. But what we are doing here is practicing medieval medicine. We are bleeding the patient. We're going to make the patient worse.

There's no argument that we ought to be doing something to improve the subprime and generally the mortgage market in this country as it goes forward, but we should not make it worse. And that's what this will do. And it will make it worse by drying up credit. And that's the biggest problem we have right now. People can't get loans for houses. And this is going to make it ever more difficult because it restricts the amount of loans they can get, and it puts in liability as well.

And, you know, it won't hurt the person buying a $1 million house with 50 percent down. That person will be fine. Who it's going to hurt is the person out there buying a $200,000 house with $2,500 in cash and a loan from their uncle. But they've got a good job and they think they can get this thing done. But under this bill, banks and lenders are not going to make that loan. And that's the problem with this bill, and that's why this bill should be roundly defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. FRANK).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. KANJORSKI

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 110–450.

Mr. KANJORSKI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. KANJORSKI:

Page 134, after line 13 insert the folowing new titles (and conform the table of contents accordingly):

TITLE VI—MORTGAGE SERVICING

SEC. 601. ESCROW AND IMPOUND ACCOUNTS RELATING TO CERTAIN CONSUMER CREDIT TRANSACTIONS.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129B (as added by section 201) the following new section:

"SEC. 129C. ESCROW OR IMPOUND ACCOUNTS RELATING TO CERTAIN CONSUMER CREDIT TRANSACTIONS.

''(a) IN GENERAL.—Except as provided in subsection (b) or (c), a creditor, in connection with the formation or consummation of a consumer credit transaction secured by a first lien on the principal dwelling of the consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, shall establish, at the time of the consummation of such transaction, an escrow or impound account for the payment of taxes and hazard insurance, and, if applicable, flood insurance, mortgage insurance, ground rents, and any other required periodic payments or premiums with respect to the property or the loan terms, as provided in, and in accordance with, this section.

''(b) WHEN REQUIRED.—No impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to the property may be required as a condition of a real property sale contract or a loan secured by a first deed of trust or mortgage on the principal dwelling of the consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, except when—

''(1) any such impound, trust, or other type of escrow or impound account for such purposes is required by Federal or State law;

''(2) a loan is made, guaranteed, or insured by a State or Federal governmental lending or insuring agency;

''(3) the consumer's debt-to-income ratio at the time the home mortgage is established taking into account income from all sources including the consumer's employment exceeds 50 percent;

''(4) the transaction is secured by a first mortgage or lien on the consumer's principal dwelling and the annual percentage rate on the credit, at the time of consummation of the transaction, will exceed by more than 3.0 percentage points the yield on Treasury securities having comparable periods of maturity on the 15th day of the month immediately preceding the month in which the application of the extension of credit is received by the creditor;

''(5) a consumer obtains a mortgage referred to in section 103(aa);

''(6) the original principal amount of such loan at the time of consummation of the transaction is—

''(A) 90 percent or more of the sale price, if the property involved is purchased with the proceeds of the loan; or

''(B) 90 percent or more of the appraised value of the property securing the loan;

''(7) the combined principal amount of all loans secured by the real property exceeds 95 percent of the appraised value of the property securing the loans at the time of consummation of the last mortgage transaction;

''(8) the consumer was the subject of a proceeding under title 11, United States Code, at any time during the 7-year period preceding the date of the transaction (as determined on the basis of the date of entry of the order for relief or the date of adjudication, as the case may be, with respect to such proceeding and included in a consumer report on the consumer under the Fair Credit Reporting Act); or

''(9) so required by the Board pursuant to regulation.

''(c) DURATION OF MANDATORY ESCROW OR IMPOUND ACCOUNT.—An escrow or impound account established pursuant to subsection (b), shall remain in existence for a minimum period of 5 years and until such borrower has sufficient equity in the dwelling securing the consumer credit transaction so as to no longer be required to maintain private mortgage insurance, or such other period as may be provided in regulations to address situations such as borrower delinquency, unless the underlying mortgage establishing the account is terminated.

''(d) CLARIFICATION ON ESCROW ACCOUNTS FOR LOANS NOT MEETING STATUTORY TEST.—For mortgages not covered by the requirements of subsection (b), no provision of this section shall be construed as precluding the establishment of an impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to the property—

''(1) on terms mutually agreeable to the parties to the loan;

''(2) at the discretion of the lender or servicer, as provided by the contract between the lender or servicer and the borrower; or

''(3) pursuant to the requirements for the escrowing of flood insurance payments for regulated lending institutions in section 102(d) of the Flood Disaster Protection Act of 1973.

''(e) ADMINISTRATION OF MANDATORY ESCROW OR IMPOUND ACCOUNTS.—

''(1) IN GENERAL.—Except as may otherwise be provided for in this title or in regulations prescribed by the Board, escrow or impound accounts established pursuant to subsection (b) shall be established in a federally insured depository institution.

''(2) ADMINISTRATION.—Except as provided in this section or regulations prescribed under this section, an escrow or impound account subject to this section shall be administered in accordance with—

''(A) the Real Estate Settlement Procedures Act of 1974 and regulations prescribed under such Act;

''(B) the Flood Disaster Protection Act of 1973 and regulations prescribed under such Act; and

''(C) the law of the State, if applicable, where the real property securing the consumer credit transaction is located.

''(3) APPLICABILITY OF PAYMENT OF INTEREST.—If prescribed by applicable State or Federal law, each creditor shall pay interest to the consumer on the amount held in any impound, trust, or escrow account that is subject to this section in the manner as prescribed by that applicable State or Federal law.

''(4) PENALTY COORDINATION WITH RESPA.—Any action or omission on the part of any person which constitutes a violation of the Real Estate Settlement Procedures Act of 1974 or any regulation prescribed under such Act for which the person has paid any fine, civil money penalty, or other damages shall not give rise to any additional fine, civil money penalty, or other damages under this section, unless the action or omission also constitutes a direct violation of this section.

''(f) DISCLOSURES RELATING TO MANDATORY ESCROW OR IMPOUND ACCOUNT.—In the case of any impound, trust, or escrow account that is subject to this section, the creditor shall disclose by written notice to the consumer at least 3 business days before the consummation of the consumer credit transaction giving rise to such account or in accordance with timeframes established in prescribed regulations the following information:

''(1) The fact that an escrow or impound account will be established at consummation of the transaction.

''(2) The amount required at closing to initially fund the escrow or impound account.

''(3) The amount, in the initial year after the consummation of the transaction, of the estimated taxes and hazard insurance, including flood insurance, if applicable, and any other required periodic payments or premiums that reflects, as appropriate, either the taxable assessed value of the real property securing the transaction, including the value of any improvements on the property or to be constructed on the property (whether or not such construction will be financed from the proceeds of the transaction) or the replacement costs of the property.

''(4) The estimated monthly amount payable to be escrowed for taxes, hazard insurance (including flood insurance, if applicable) and any other required periodic payments or premiums.

''(5) The fact that, if the consumer chooses to terminate the account at the appropriate time in the future, the consumer will become responsible for the payment of all taxes, hazard insurance, and flood insurance, if applicable, as well as any other required periodic payments or premiums on the property unless a new escrow or impound account is established.

''(g) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) FLOOD INSURANCE.—The term 'flood insurance' means flood insurance coverage provided under the national flood insurance program pursuant to the National Flood Insurance Act of 1968.

''(2) HAZARD INSURANCE.—The term 'hazard insurance' shall have the same meaning as provided for 'hazard insurance', 'casualty insurance', 'homeowner's insurance', or other similar term under the law of the State where the real property securing the consumer credit transaction is located.''.

(b) IMPLEMENTATION.—

(1) REGULATIONS.—The Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the National

Credit Union Administration Board, (hereafter in this Act referred to as the ''Federal banking agencies'') and the Federal Trade Commission shall prescribe, in final form, such regulations as determined to be necessary to implement the amendments made by subsection (a) before the end of the 180-day period beginning on the date of the enactment of this Act.

(2) EFFECTIVE DATE.—The amendments made by subsection (a) shall only apply to covered mortgage loans consummated after the end of the 1-year period beginning on the date of the publication of final regulations in the Federal Register.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129B (as added by section 201) the following new item:

''129C. Escrow or impound accounts relating to certain consumer credit transactions.''.

SEC. 602. DISCLOSURE NOTICE REQUIRED FOR CONSUMERS WHO WAIVE ESCROW SERVICES.

(a) IN GENERAL.—Section 129C of the Truth in Lending Act (as added by section 601) is amended by adding at the end the following new subsection:

''(h) DISCLOSURE NOTICE REQUIRED FOR CONSUMERS WHO WAIVE ESCROW SERVICES.—

''(1) IN GENERAL.—If—

''(A) an impound, trust, or other type of account for the payment of property taxes, insurance premiums, or other purposes relating to real property securing a consumer credit transaction is not established in connection with the transaction; or

''(B) a consumer chooses, at any time after such an account is established in connection with any such transaction and in accordance with any statute, regulation, or contractual agreement, to close such account,

the creditor or servicer shall provide a timely and clearly written disclosure to the consumer that advises the consumer of the responsibilities of the consumer and implications for the consumer in the absence of any such account.

''(2) DISCLOSURE REQUIREMENTS.—Any disclosure provided to a consumer under paragraph (1) shall include the following:

''(A) Information concerning any applicable fees or costs associated with either the non-establishment of any such account at the time of the transaction, or any subsequent closure of any such account.

''(B) A clear and prominent notice that the consumer is responsible for personally and directly paying the non-escrowed items, in addition to paying the mortgage loan payment, in the absence of any such account, and the fact that the costs for taxes, insurance, and related fees can be substantial.

''(C) A clear explanation of the consequences of any failure to pay non-escrowed items, including the possible requirement for the forced placement of insurance by the creditor or servicer and the potentially higher cost (including any potential commission payments to the servicer) or reduced coverage for the consumer in the event of any such creditor-placed insurance.''.

(b) IMPLEMENTATION.—

(1) REGULATIONS.—The Federal banking agencies and the Federal Trade Commission shall prescribe, in final form, such regulations as such agencies determine to be necessary to implement the amendments made by subsection (a) before the end of the 180-day period beginning on the date of the enactment of this Act.

(2) EFFECTIVE DATE.—The amendments made by subsection (a) shall only apply in accordance with the regulations established in paragraph (1) and beginning on the date occurring 180-days after the date of the publication of final regulations in the Federal Register.

SEC. 603. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974 AMENDMENTS.

(a) SERVICER PROHIBITIONS.—Section 6 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605) is amended by adding at the end the following new subsections:

''(k) SERVICER PROHIBITIONS.—

''(1) IN GENERAL.—A servicer of a federally related mortgage shall not—

''(A) obtain force-placed hazard insurance unless there is a reasonable basis to believe the borrower has failed to comply with the loan contract's requirements to maintain property insurance;

''(B) charge fees for responding to valid qualified written requests (as defined in regulations which the Secretary shall prescribe) under this section;

''(C) fail to take timely action to respond to a borrower's requests to correct errors relating to allocation of payments, final balances for purposes of paying off the loan, or avoiding foreclosure, or other standard servicer's duties;

''(D) fail to respond within 10 business days to a request from a borrower to provide the identity, address, and other relevant contact information about the owner assignee of the loan; or

''(E) fail to comply with any other obligation found by the Secretary, by regulation, to be appropriate to carry out the consumer protection purposes of this Act.

''(2) FORCE-PLACED INSURANCE DEFINED.—For purposes of this subsection and subsections (l) and (m), the term 'force-placed insurance' means hazard insurance coverage obtained by a servicer of a federally related mortgage when the borrower has failed to maintain or renew hazard insurance on such property as required of the borrower under the terms of the mortgage.

''(l) REQUIREMENTS FOR FORCE-PLACED INSURANCE.—A servicer of a federally related mortgage shall not be construed as having a reasonable basis for obtaining force-placed insurance unless the requirements of this subsection have been met.

''(1) WRITTEN NOTICES TO BORROWER.—A servicer may not impose any charge on any borrower for force-placed insurance with respect to any property securing a federally related mortgage unless—

''(A) the servicer has sent, by first-class mail, a written notice to the borrower containing—

''(i) a reminder of the borrower's obligation to maintain hazard insurance on the property securing the federally related mortgage;

''(ii) a statement that the servicer does not have evidence of insurance coverage of such property;

''(iii) a clear and conspicuous statement of the procedures by which the borrower may demonstrate that the borrower already has insurance coverage; and

''(iv) a statement that the servicer may obtain such coverage at the borrower's expense if the borrower does not provide such demonstration of the borrower's existing coverage in a timely manner;

''(B) the servicer has sent, by first-class mail, a second written notice, at least 30 days after the mailing of the notice under subparagraph (A) that contains all the information described in each clauses of such subparagraph; and

''(C) the servicer has not received from the borrower any demonstration of hazard insurance coverage for the property securing the mortgage by the end of the 15-day period beginning on the date the notice under subparagraph (B) was sent by the servicer.

''(2) SUFFICIENCY OF DEMONSTRATION.—A servicer of a federally related mortgage shall accept any reasonable form of written confirmation from a borrower of existing insurance coverage, which shall include the existing insurance policy number along with the identity of, and contact information for, the insurance company or agent.

''(3) TERMINATION OF FORCE-PLACED INSURANCE.—Within 15 days of the receipt by a servicer of confirmation of a borrower's existing insurance coverage, the servicer shall—

''(A) terminate the force-placed insurance; and

''(B) refund to the consumer all force-placed insurance premiums paid by the borrower during any period during which the borrower's insurance coverage and the force-placed insurance coverage were each in effect, and any related fees charged to the consumer's account with respect to the force-placed insurance during such period.

''(4) CLARIFICATION WITH RESPECT TO FLOOD DISASTER PROTECTION ACT.—No provision of this section shall be construed as prohibiting a servicer from providing simultaneous or concurrent notice of a lack of flood insurance pursuant to section 102(e) of the Flood Disaster Protection Act of 1973.

''(m) LIMITATIONS ON FORCE-PLACED INSURANCE CHARGES.—All charges for force-placed insurance premiums shall be bona fide and reasonable in amount.

''(n) PROMPT CREDITING OF PAYMENTS REQUIRED.—

''(1) IN GENERAL.—All amounts received by a lender or a servicer on a home loan at the address where the borrower has been instructed to make payments shall be accepted and credited, or treated as credited, on the business day received, to the extent that the borrower has made the full contractual payment and has provided sufficient information to credit the account.

''(2) SCHEDULED METHOD.—If a servicer uses the scheduled method of accounting, any regularly scheduled payment made prior to the scheduled due date shall be credited no later than the due date.

''(3) NOTICE OF NONCREDIT.—If any payment is received by a lender or a servicer on a home loan and not credited, or treated as credited, the borrower shall be notified within 10 business days by mail at the borrower's last known address of the disposition of the payment, the reason the payment was not credited, or treated as credited to the account, and any actions necessary by the borrower to make the loan current.''.

(b) INCREASE IN PENALTY AMOUNTS.—Section 6(f) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(f)) is amended—

(1) in paragraphs (1)(B) and (2)(B), by striking ''$1,000'' each place such term appears and inserting ''$2,000''; and

(2) in paragraph (2)(B)(i), by striking ''$500,000'' and inserting ''$1,000,000''.

(c) DECREASE IN RESPONSE TIMES.—Section 6(e) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(e)) is amended—

(1) in paragraph (1)(A), by striking ''20 days'' and inserting ''10 days'';

(2) in paragraph (2), by striking ''60 days'' and inserting ''30 days''; and

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

''(4) LIMITED EXTENSION OF RESPONSE TIME.—The 30-day period described in paragraph (2) may be extended for not more than 30 days if, before the end of such 30-day period, the servicer notifies the borrower of the extension and the reasons for the delay in responding.''.

(d) REQUESTS FOR PAY-OFF AMOUNTS.—Section 6(e) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(e)) is amended by inserting after paragraph (4) (as

added by subsection (c) of this section) the following new paragraph:

''(5) REQUESTS FOR PAY-OFF AMOUNTS.—A creditor or servicer shall send a payoff balance within 7 business days of the receipt of a written request for such balance from or on behalf of the borrower.''.

(e) PROMPT REFUND OF ESCROW ACCOUNTS UPON PAYOFF.—Section 6(g) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(g)) is amended by adding at the end the following new sentence: ''Any balance in any such account that is within the servicer's control at the time the loan is paid off shall be promptly returned to the borrower within 20 business days or credited to a similar account for a new mortgage loan to the borrower with the same lender.''.

SEC. 604. MORTGAGE SERVICING STUDIES REQUIRED.

(a) MORTGAGE SERVICING PRACTICES.—

(1) STUDY.—The Secretary of Housing and Urban Development, in consultation with the Federal banking agencies, and the Federal Trade Commission, shall conduct a comprehensive study on mortgage servicing practices and their potential for fraud and abuse.

(2) ISSUES TO BE INCLUDED.—In addition to other issues the Secretary of Housing and Urban Development, the Federal banking agencies, and the Federal Trade Commission may determine to be appropriate and possibly pertinent to the study conducted under paragraph (1), the study shall include the following issues:

(A) A survey of the industry in order to examine the issue of the timely or effective posting of payments by servicers.

(B) The employment of daily interest when payments are made after a due date.

(C) The charging of late fees on the entire outstanding principal.

(D) The charging of interest on servicing fees.

(E) The utilization of collection practices that failed to comply with the Fair Debt Collection Practices Act.

(F) The charging of prepayment penalties when not authorized by either the note or law.

(G) The employment of unconscionable forbearance agreements.

(H) Foreclosure abuses.

(3) REPORT.—Before the end of the 12-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report on the study conducted under this subsection to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(b) MORTGAGE SERVICING IMPROVEMENTS.—

(1) STUDY.—The Secretary of Housing and Urban Development, in consultation with the Federal banking agencies, and the Federal Trade Commission, shall conduct a comprehensive study on means to improve the best practices of the mortgage servicing industry, and Federal and State laws governing such industry.

(2) REPORT.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report on the study conducted under this subsection to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, together with such recommendations for administrative or legislative action as the Secretary, in consultation with the Board and the Commission, may determine to be appropriate.

SEC. 605. ESCROWS INCLUDED IN REPAYMENT ANALYSIS.

(a) IN GENERAL.—Section 128(b) of the Truth in Lending Act (15 U.S.C. 1638(b)) is amended by adding at the end the following new paragraph:

''(4) REPAYMENT ANALYSIS REQUIRED TO INCLUDE ESCROW PAYMENTS.—

''(A) IN GENERAL.—In the case of any consumer credit transaction secured by a first mortgage or lien on the principal dwelling of the consumer, other than a consumer credit transaction under an open end credit plan or a reverse mortgage, for which an impound, trust, or other type of account has been or will be established in connection with the transaction for the payment of property taxes, hazard and flood (if any) insurance premiums, or other periodic payments or premiums with respect to the property, the information required to be provided under subsection (a) with respect to the number, amount, and due dates or period of payments scheduled to repay the total of payments shall take into account the amount of any monthly payment to such account for each such repayment in accordance with section 10(a)(2) of the Real Estate Settlement Procedures Act of 1974.

''(B) ASSESSMENT VALUE.—The amount taken into account under subparagraph (A) for the payment of property taxes, hazard and flood (if any) insurance premiums, or other periodic payments or premiums with respect to the property shall reflect the taxable assessed value of the real property securing the transaction after the consummation of the transaction, including the value of any improvements on the property or to be constructed on the property (whether or not such construction will be financed from the proceeds of the transaction), if known, and the replacement costs of the property for hazard insurance, in the initial year after the transaction.''.

TITLE VII—APPRAISAL ACTIVITIES

SEC. 701. PROPERTY APPRAISAL REQUIREMENTS.

Section 129 of the Truth in Lending Act (15 U.S.C. 1639) is amended by inserting after subsection (u) (as added by section 303(f)) the following new subsection:

''(v) PROPERTY APPRAISAL REQUIREMENTS.—

''(1) IN GENERAL.—A creditor may not extend credit in the form of a mortgage referred to in section 103(aa) to any consumer without first obtaining a written appraisal of the property to be mortgaged prepared in accordance with the requirements of this subsection.

''(2) APPRAISAL REQUIREMENTS.—

''(A) PHYSICAL PROPERTY VISIT.—An appraisal of property to be secured by a mortgage referred to in section 103(aa) does not meet the requirement of this subsection unless it is performed by a qualified appraiser who conducts a physical property visit of the interior of the mortgaged property.

''(B) SECOND APPRAISAL UNDER CERTAIN CIRCUMSTANCES.—

''(i) IN GENERAL.—If the purpose of a mortgage referred to in section 103(aa) is to finance the purchase or acquisition of the mortgaged property from a person within 180 days of the purchase or acquisition of such property by that person at a price that was lower than the current sale price of the property, the creditor shall obtain a second appraisal from a different qualified appraiser. The second appraisal shall include an analysis of the difference in sale prices, changes in market conditions, and any improvements made to the property between the date of the previous sale and the current sale.

''(ii) NO COST TO CONSUMER.—The cost of any second appraisal required under clause (i) may not be charged to the consumer.

''(C) QUALIFIED APPRAISER DEFINED.—For purposes of this subsection, the term 'qualified appraiser' means a person who—

''(i) is certified or licensed by the State in which the property to be appraised is located; and

''(ii) performs each appraisal in conformity with the Uniform Standards of Professional Appraisal Practice and title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and the regulations prescribed under such title, as in effect on the date of the appraisal.

''(3) FREE COPY OF APPRAISAL.—A creditor shall provide 1 copy of each appraisal conducted in accordance with this subsection in connection with a mortgage referred to in section 103(aa) to the consumer without charge, and at least 3 days prior to the transaction closing date.

''(4) CONSUMER NOTIFICATION.—At the time of the initial mortgage application, the consumer shall be provided with a statement by the creditor that any appraisal prepared for the mortgage is for the sole use of the creditor, and that the consumer may choose to have a separate appraisal conducted at their own expense.

''(5) VIOLATIONS.—In addition to any other liability to any person under this title, a creditor found to have willfully failed to obtain an appraisal as required in this subsection shall be liable to the consumer for the sum of $2,000.''.

SEC. 702. UNFAIR AND DECEPTIVE PRACTICES AND ACTS RELATING TO CERTAIN CONSUMER CREDIT TRANSACTIONS.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129C (as added by section 601) the following new section:

''SEC. 129D. UNFAIR AND DECEPTIVE PRACTICES AND ACTS RELATING TO CERTAIN CONSUMER CREDIT TRANSACTIONS.

''(a) IN GENERAL.—It shall be unlawful, in providing any services for a consumer credit transaction secured by the principal dwelling of the consumer, to engage in any unfair or deceptive act or practice as described in or pursuant to regulations prescribed under this section.

''(b) APPRAISAL INDEPENDENCE.—For purposes of subsection (a), unfair and deceptive practices shall include—

''(1) any appraisal of a property offered as security for repayment of the consumer credit transaction that is conducted in connection with such transaction in which a person with an interest in the underlying transaction compensates, coerces, extorts, colludes, instructs, induces, bribes, or intimidates a person conducting or involved in an appraisal, or attempts, to compensate, coerce, extort, collude, instruct, induce, bribe, or intimidate such a person, for the purpose of causing the appraised value assigned, under the appraisal, to the property to be based on any factor other than the independent judgment of the appraiser;

''(2) mischaracterizing, or suborning any mischaracterization of, the appraised value of the property securing the extension of the credit;

''(3) seeking to influence an appraiser or otherwise to encourage a targeted value in order to facilitate the making or pricing of the transaction; and

''(4) failing to timely compensate an appraiser for a completed appraisal regardless of whether the transaction closes.

''(c) EXCEPTIONS.—The requirements of subsection (b) shall not be construed as prohibiting a mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person with an interest in a real estate transaction from asking an appraiser

to provide 1 or more of the following services:

''(1) Consider additional, appropriate property information, including the consideration of additional comparable properties to make or support an appraisal.

''(2) Provide further detail, substantiation, or explanation for the appraiser's value conclusion.

''(3) Correct errors in the appraisal report.

''(d) RULEMAKING PROCEEDINGS.—The Board, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the National Credit Union Administration Board, and the Federal Trade Commission—

''(1) shall, for purposes of this section, jointly prescribe regulations defining with specificity acts or practices which are unfair or deceptive in the provision of mortgage lending services for a consumer credit transaction secured by the principal dwelling of the consumer or mortgage brokerage services for such a transaction and defining any terms in this section or such regulations; and

''(2) may jointly issue interpretive guidelines and general statements of policy with respect to unfair or deceptive acts or practices in the provision of mortgage lending services for a consumer credit transaction secured by the principal dwelling of the consumer and mortgage brokerage services for such a transaction, within the meaning of subsections (a), (b), and (c).

''(e) PENALTIES.—

''(1) FIRST VIOLATION.—In addition to the enforcement provisions referred to in section 130, each person who violates this section shall forfeit and pay a civil penalty of not more than $10,000 for each day any such violation continues.

''(2) SUBSEQUENT VIOLATIONS.—In the case of any person on whom a civil penalty has been imposed under paragraph (1), paragraph (1) shall be applied by substituting '$20,000' for '$10,000' with respect to all subsequent violations.

''(3) ASSESSMENT.—The agency referred to in subsection (a) or (c) of section 108 with respect to any person described in paragraph (1) shall assess any penalty under this subsection to which such person is subject.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129C (as added by section 601) the following new item:

''129D. Unfair and deceptive practices and acts relating to certain consumer credit transactions.''.

SEC. 703. APPRAISAL SUBCOMMITTEE OF FIEC, APPRAISER INDEPENDENCE, AND APPROVED APPRAISER EDUCATION.

(a) CONSUMER PROTECTION MISSION.—

(1) PURPOSE.—A purpose for the establishment and operation of the Appraisal Subcommittee of the Financial Institutions Examination Council (hereafter in this section referred to as the ''Appraisal Subcommittee'') shall be to establish a consumer protection mandate.

(2) FUNCTIONS OF APPRAISAL SUBCOMMITTEE.—It shall be a function of the Appraisal Subcommittee to protect the consumer from improper appraisal practices and the predations of unlicensed appraisers.

(3) THRESHOLD LEVELS.—In establishing a threshold level under section 1112(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3341(b)), each agency shall determine in writing that the threshold level provides reasonable protection for consumers who purchase 1-4 unit single-family residences.

(b) ANNUAL REPORT OF APPRAISAL SUBCOMMITTEE.—The annual report of the Appraisal Subcommittee under section 1103(a)(4) of Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall detail the activities of the Appraisal Subcommittee, including the results of all audits of State appraiser regulatory agencies, and provide an accounting of disapproved actions and warnings taken in the previous year, including a description of the conditions causing the disapproval.

(c) OPEN MEETINGS.—All meetings of the Appraisal Subcommittee shall be held in public session after notice in the Federal Register.

(d) REGULATIONS.—The Appraisal Subcommittee may prescribe regulations after notice and opportunity for comment. Any regulations prescribed by the Appraisal Subcommittee shall (unless otherwise provided in this section or title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989) be limited to the following functions: temporary practice, national registry, information sharing, and enforcement. For purposes of prescribing regulations, the Appraisal Subcommittee shall establish an advisory committee of industry participants, including appraisers, lenders, consumer advocates, and government agencies, and hold regular meetings.

(e) FIELD APPRAISALS AND APPRAISAL REVIEWS.—All field appraisals performed at a property within a State shall be prepared by appraisers licensed in the State where the property is located. All Uniform Standards of Professional Appraisal Practice-compliant appraisal reviews shall be performed by an appraiser who is duly licensed by a State appraisal board.

(f) STATE AGENCY REPORTING REQUIREMENT.—Each State with an appraiser certifying and licensing agency whose certifications and licenses comply with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall transmit reports on sanctions, disciplinary actions, license and certification revocations, and license and certification suspensions on a timely basis to the national registry of the Appraisal Subcommittee.

(g) REGISTRY FEES MODIFIED.—

(1) IN GENERAL.—The annual registry fees for persons performing appraisals in federally related transactions shall be increased from $25 to $40. The maximum amount up to which the Appraisal Subcommittee may adjust any registry fees shall be increased from $50 to $80 per annum. The Appraisal Subcommittee shall consider at least once every 5 years whether to adjust the dollar amount of the registry fees to account for inflation. In implementing any change in registry fees, the Appraisal Subcommittee shall provide flexibility to the States for multi-year certifications and licenses already in place, as well as a transition period to implement the changes in registry fees.

(2) INCREMENTAL REVENUES.—Incremental revenues collected pursuant to the increases required by this section shall be placed in a separate account at the United States Treasury, entitled the Appraisal Subcommittee Account.

(h) GRANTS AND REPORTS.—

(1) IN GENERAL.—Amounts appropriated for or collected by the Appraisal Subcommittee after the date of the enactment of this Act shall, in addition to other uses authorized, be used—

(A) to make grants to State appraiser regulatory agencies to help defray those costs relating to enforcement activities; and

(B) to report to all State appraiser certifying and licensing agencies when a license or certification is surrendered, revoked, or suspended.

(2) LIMITATION ON OBLIGATIONS.—Obligations authorized under this section may not exceed 75 percent of the fiscal year total of incremental increase in fees collected and deposited in the Appraisal Subcommittee Account pursuant to section 703(g) of this Act.

(i) CRITERIA.—

(1) DEFINITION.—For purposes of this section and title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (notwithstanding section 1116(c) of such title), the term ''State licensed appraiser'' means an individual who has satisfied the requirements for State licensing in a State or territory whose criteria for the licensing of a real estate appraiser currently meet or exceed the minimum criteria issued by the Appraisal Qualifications Board of The Appraisal Foundation for the licensing of real estate appraisers.

(2) MINIMUM QUALIFICATION REQUIREMENTS.—Any requirements established for individuals in the position of ''Trainee Appraiser'' and ''Supervisory Appraiser'' shall meet or exceed the minimum qualification requirements of the Appraiser Qualifications Board of The Appraisal Foundation. The Appraisal Subcommittee shall have the authority to enforce these requirements.

(j) MONITORING OF STATE APPRAISER CERTIFYING AND LICENSING AGENCIES.—The Appraisal Subcommittee shall monitor State appraiser certifying and licencing agencies for the purpose of determining whether a State agency's funding and staffing are consistent with the requirements of title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, whether a State agency processes complaints and completes exams in a reasonable time period, and whether a State agency reports claims and disciplinary actions on a timely basis to the national registry maintained by the Appraisal Subcommittee. The Appraisal Subcommittee shall have the authority to impose interim sanctions and suspensions.

(k) RECIPROCITY.—A State appraiser certifying or licensing agency shall issue a reciprocal certification or license for an individual from another State when—

(1) the appraiser licensing and certification program of such other State is in compliance with the provisions of this title; and

(2) the appraiser holds a valid certification from a State whose requirements for certification or licensing meet or exceed the licensure standards established by the State where an individual seeks appraisal licensure.

(l) CONSIDERATION OF PROFESSIONAL APPRAISAL DESIGNATIONS.—No provision of section 1122(d) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall be construed as prohibiting consideration of designations conferred by recognized national professional appraisal organizations, such as sponsoring organizations of The Appraisal Foundation.

(m) APPRAISER INDEPENDENCE.—

(1) PROHIBITIONS ON INTERESTED PARTIES IN A REAL ESTATE TRANSACTION.—No mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, nor any other person with an interest in a real estate transaction involving an appraisal shall improperly influence, or attempt to improperly influence, through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, nonpayment for services rendered, or bribery, the development, reporting, result, or review of a real estate appraisal sought in connection with a mortgage loan.

(2) EXCEPTIONS.—The requirements of paragraph (1) shall not be construed as prohibiting a mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of

an appraisal management company, or any other person with an interest in a real estate transaction from asking an appraiser to provide 1 or more of the following services:

(A) Consider additional, appropriate property information, including the consideration of additional comparable properties to make or support an appraisal.

(B) Provide further detail, substantiation, or explanation for the appraiser's value conclusion.

(C) Correct errors in the appraisal report.

(3) PROHIBITIONS ON CONFLICTS OF INTEREST.—No certified or licensed appraiser conducting an appraisal may have a direct or indirect interest, financial or otherwise, in the property or transaction involving the appraisal.

(4) MANDATORY REPORTING.—Any mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person with an interest in a real estate transaction involving an appraisal who has a reasonable basis to believe an appraiser is violating applicable laws, or is otherwise engaging in unethical conduct, shall refer the matter to the applicable State appraiser certifying and licensing agency.

(5) REGULATIONS.—The Federal financial institutions regulatory agencies (as defined in section 1003(1) of the Federal Financial Institutions Examination Council Act of 1978) shall prescribe such regulations as may be necessary to carry out the provisions of this subsection.

(6) PENALTIES.—Any person who violates any provision of this subsection shall be subject to civil penalties under section 8(i)(2) of the Federal Deposit Insurance Act or section 206(k)(2) of the Federal Credit Union Act, as appropriate.

(7) PROCEEDING.—A proceeding with respect to a violation of this subsection shall be an administrative proceeding which may be conducted by a Federal financial institutions regulatory agency in accordance with the procedures set forth in subchapter II of chapter 5 of title 5, United States Code.

(n) APPROVED EDUCATION.—The Appraisal Subcommittee shall encourage the States to accept courses approved by the Appraiser Qualification Board's Course Approval Program.

SEC. 704. STUDY REQUIRED ON IMPROVEMENTS IN APPRAISAL PROCESS AND COMPLIANCE PROGRAMS.

(a) STUDY.—The Comptroller General shall conduct a comprehensive study on possible improvements in the appraisal process generally, and specifically on the consistency in and the effectiveness of, and possible improvements in, State compliance efforts and programs in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. In addition, this study shall examine the existing de minimis loan levels established by Federal regulators for compliance under title XI and whether there is a need to revise them to reflect the addition of consumer protection to the purposes and functions of the Appraisal Subcommittee.

(b) REPORT.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report on the study under subsection (a) to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, together with such recommendations for administrative or legislative action, at the Federal or State level, as the Comptroller General may determine to be appropriate.

SEC. 705. CONSUMER APPRAISAL DISCLOSURE.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 129D (as added by section 702) the following new section:

"SEC. 129E. CONSUMER APPRAISAL DISCLOSURE.

"In any case in which an appraisal is performed in connection with an extension of credit secured by an interest in real property, the creditor or other mortgage originator shall make available to the applicant for the extension of credit a copy of all appraisal valuation reports upon completion but no later than 3 business days prior to the transaction closing date.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 129D (as added by section 702) the following new item:

"129E. Consumer appraisal disclosure.".

The CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Pennsylvania (Mr. KANJORSKI) and a member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Chairman, I've long said that predatory lending is a complex problem that requires a comprehensive solution. The adoption of my amendment will make this bill more complete.

This amendment is based on the Escrow, Appraisal and Mortgage Servicing Improvements Act, H.R. 3837, which the Financial Services Committee approved last week on a voice vote. In brief, this amendment would improve mortgage servicing, better escrowing practices, and enhance appraiser oversight.

I am pleased that several Members of both sides of the aisle have joined me to put forward this worthwhile amendment. This proposal also has the support of many outside of this Chamber, including the Appraisal Institute, the National Association of Realtors, the National Association of Mortgage Brokers, and the Center for Responsible Lending, to name a few.

While there are many components to this proposal, I would like to highlight three of its key provisions. First, it would mandate the establishment of escrows for those borrowers who meet certain tests to protect them from tax liens and costly force placed insurance. We have learned that the subprime borrowers are substantially less likely than prime borrowers to have escrows, even though they are more likely to need help in budgeting for these substantial expenses.

Secondly, the amendment reforms mortgage servicing by mandating swifter response times to consumer inquiries. This change ought to help ensure that those homeowners who need help in the coming months will receive expedited assistance from their mortgage servicers.

Third, the amendment would establish enforceable national appraisal independence standards with sufficient penalties. The appraisal field is one that demands reform, as evidenced by 90 percent of the appraisers reporting pressure to inflate values. Appraisals verify the value of the collateral for the buyer, the seller, the lender, and the investor. Protection from pressure is, therefore, vital.

Two other issues in this amendment that deserve mention today include the prompt crediting of payments by servicers and providing borrowers with timely access to all appraisals. Going forward, we will work to polish the wording of the former. We will also conform the language of the latter to the existing standards of the Equal Credit Opportunity Act.

In sum, Mr. Chairman, my amendment should be part of the legislative response to improve lending practices and enhance accountability. I encourage every one of my colleagues to support this.

I reserve the balance of my time.

Mrs. BIGGERT. Mr. Chairman, I claim the time in opposition, although I am not opposed.

The CHAIRMAN. Without objection, the gentlewoman from Illinois is recognized for 5 minutes.

There was no objection.

Mrs. BIGGERT. Mr. Chairman, I would like to echo the remarks of Mr. KANJORSKI and thank him and my colleagues, Mr. HODES, Mrs. CAPITO and Ms. MOORE, for working on this amendment, which is based on H.R. 3837, the Escrow, Appraisal and Mortgage Servicing Improvements Act.

Overall, this amendment addresses deceptive, abusive and fraudulent mortgage lending practices related to titles on escrow accounts, mortgage servicing and appraisals. We worked hard following our markup last week to clean up language in this amendment regarding the prompt crediting of payments and Truth in Lending Act and the Real Estate Settlement Procedures Act, commonly known as RESPA, liability, in addition to making several more technical changes.

We have more to do, especially further developing the language in the payments and escrow sections in this bill; but I'm confident that, based on the bipartisan progress that we've made this far, we can work out our differences as the bill continues to move through the legislative process.

Again, I thank Mr. KANJORSKI and my colleagues from both sides of the aisle for their hard work and cooperation on this amendment. It has broad bipartisan support, and I urge my colleagues to vote for it.

I reserve the balance of my time.

Mr. KANJORSKI. Mr. Chairman, may I inquire what time we have left.

The CHAIRMAN. The gentleman from Pennsylvania has 2 minutes. The gentlewoman from Illinois has 3½ minutes.

Mr. KANJORSKI. Mr. Chairman, I yield 1 minute to the gentleman from New Hampshire (Mr. HODES).

Mr. HODES. Mr. Chairman, I thank Representative KANJORSKI, the chairman of the Capital Markets Subcommittee, for yielding me this time.

I believe that this amendment is a good complement to Chairman FRANK's antipredatory lending bill, and I commend colleagues on both sides of the

aisle for the bipartisan nature of this amendment, which is similar to H.R. 3837, the bill of which I was a proud cosponsor.

Many of my constituents have had problems with their mortgage servicers. This amendment makes sure that servicers provide faster responses to consumer inquiries and provides increased penalties for abusive servicing practices.

Escrows help homeowners pay their property taxes on time, but many homeowners are unaware of the total cost of the loan because the exact amount of taxes and insurance isn't disclosed at the time of closing. This amendment would make sure that homeowners are informed of the actual amount of the loan, including the escrow payments.

And also, lastly, faulty appraisals have been a huge problem and can have a devastating impact on a family's single largest investment, their home. If the initial appraisal is inaccurate, reselling the home for what the family paid can be nearly impossible.

The amendment creates a Federal independent standard for appraisals enforced by tough penalties.

I urge my colleagues to support the amendment.

Mrs. BIGGERT. Mr. Chairman, I reserve the balance of my time.

Mr. KANJORSKI. Mr. Chairman, I yield 1 minute to the gentlelady from Wisconsin (Ms. MOORE).

Ms. MOORE of Wisconsin. Mr. Chairman, I'll be brief.

I hope that with Mr. FRANK's bill, we can see that these exotic products have created a crisis in the mortgage industry. But as Attorney General Cuomo from New York said, any real estate scam, at the very base and root of it, is a faulty and a bad appraisal.

This is a very commonsense regulation, and I congratulate Mr. KANJORSKI and my other co-authors for bringing this forward.

This amendment is about putting the interests of homebuyers first.

Buying a home is daunting enough without having to worry that the people that supposedly work for you aren't on your side.

The safeguards in this amendment—the independence standards for appraisers and provisions that strengthen Federal oversight of the appraisal process will assure homebuyers that the home they are purchasing hasn't been inflated in "perceived" value by an unscrupulous appraiser.

A bad appraisal can also make it impossible for a subprime borrower to refinance—what happens when they try to get into a prime loan and a responsible bank wants a responsible appraisal done? That's when the other shoe drops and the homeowner finds out they've been duped.

These safeguards would protect consumers, but would also benefit the secondary market and our economy.

When a mortgage is sold on the secondary market, investors need to know that the securities they hold are backed up by a home that has been appraised accurately.

Further, the amendment's requirements that subprime and other at-risk borrowers receive an escrow account will protect those borrowers from huge end-of-the-year tax bills and will reduce foreclosures.

I urge my colleagues to support the Kanjorski-Biggert-Capito-Hodes-Moore amendment.

Mrs. BIGGERT. Mr. Chairman, I yield the remainder of my time to the gentleman from Alabama, the ranking member, Mr. BACHUS.

Mr. BACHUS. Mr. Chairman, I rise in strong support of this bipartisan amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI). The amendment, among other things, enhances the integrity of the appraisal process, and requires the taxes and insurance on subprime mortgages be escrowed. These are two glaring problems in today's subprime market, and I think both these requirements will go a long way towards making these loans sounder and reducing the number of foreclosures and delinquencies.

These issues are ones that the gentleman from Pennsylvania has worked on for many years. He deserves credit for an amendment that will improve many key aspects of the mortgage origination, servicing, and appraisal process; and I compliment him.

Chairman KANJORSKI worked closely with my colleagues, Ranking Members JUDY BIGGERT and SHELLEY MOORE CAPITO, in crafting the amendment. And the three of them actually offered the amendment that addresses legitimate administrative and operational concerns that have been raised, not only by consumer groups, but by the industry itself. And the mortgage appraisers, or the Appraisers Institute, actually endorsed this measure. And it maintains the underlying bill's strong consumer protection.

□ 1330

And this amendment offers additional strong protections.

I commend all three of our colleagues for their efforts and urge support for the amendment.

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

Mr. KANJORSKI. I thank the ranking member and the ranking lady of the subcommittee. What a pleasure it was to work on this.

I want to say to all my colleagues that may be listening to our discussion today, this is a perfect example of how this House can find bipartisan support for a very complicated issue.

This amendment sounds like an amendment, but it's a 44-page bill standing on its own, which we are hoping to attach to Mr. FRANK's bill so that we solve all of the major problems remaining that can be solved today and then move on to mitigation of loss in the future.

I urge all of my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI).

The amendment was agreed to.

Mr. FRANK of Massachusetts. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Ms. KAPTUR) having assumed the chair, Mr. CARDOZA, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, had come to no resolution thereon.

PERMISSION TO OFFER AMENDMENT NO. 16 OUT OF SEQUENCE DURING FURTHER CONSIDERATION OF H.R. 3915

Mr. FRANK of Massachusetts. Madam Speaker, I ask unanimous consent that during further consideration of H.R. 3915 in the Committee of the Whole pursuant to House Resolution 825, amendment No. 16 may be considered out of sequence.

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

There was no objection.

MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 825 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3915.

□ 1332

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 further consideration of the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, with Mr. CARDOZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, amendment No. 2 by the gentleman from Pennsylvania (Mr. KANJORSKI) had been disposed of.

AMENDMENT NO. 3 OFFERED BY MRS. MALONEY OF NEW YORK

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 110–450.

Mrs. MALONEY of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mrs. MALONEY of New York:

Page 66, after line 3, insert the following new paragraph (and redesignate the subsequent paragraph accordingly):

''(2) PHASED-OUT PENALTIES ON QUALIFIED MORTGAGES.—A qualified mortgage (as defined in subsection (c)) may not contain terms under which a consumer must pay a prepayment penalty for paying all or part of the principal after the loan is consummated in excess of the following limitations:

''(A) During the 1-year period beginning on the date the loan is consummated, the prepayment penalty shall not exceed an amount equal to 3 percent of the outstanding balance on the loan.

''(B) During the 1-year period beginning after the period described in subparagraph (A), the prepayment penalty shall not exceed an amount equal to 2 percent of the outstanding balance on the loan.

''(C) During the 1-year period beginning after the 1-year period described in subparagraph (B), the prepayment penalty shall not exceed an amount equal to 1 percent of the outstanding balance on the loan.

''(D) After the end of the 3-year period beginning on the date the loan is consummated, no prepayment penalty may be imposed on a qualified mortgage.''.

Page 66, after line 11, insert the following new paragraph:

''(4) OPTION FOR NO PREPAYMENT PENALTY REQUIRED.—A creditor may not offer a consumer a residential mortgage loan product that has a prepayment penalty for paying all or part of the principal after the loan is consummated as a term of the loan without offering the consumer a residential mortgage loan product that does not have a prepayment penalty as a term of the loan.''.

The CHAIRMAN. Pursuant to House Resolution 825, the gentlewoman from New York (Mrs. MALONEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York.

Mrs. MALONEY of New York. Mr. Chairman, I yield myself 3 minutes.

This amendment, which I am offering with my good friend and colleague from New Jersey, ALBIO SIRES, addresses prepayment penalties and prime loans. This is a well-balanced amendment that has gained the support both of consumer groups and industry.

Prepayment penalties are designed to deter borrowers from refinancing, or just paying off their loans. This seems unfair; why should anyone be penalized for paying off their loans? Why should borrowers not be able to take advantage of a better offer if it becomes available? Isn't that how the free market system is supposed to work?

The underlying bill prohibits prepayment penalties on subprime loans and requires that prepayment penalties on prime loans expire 3 months before a loan resets. But I think we need to offer all borrowers, including prime borrowers, an alternative to loans with prepayment penalties. At the most, prepayment penalties should last 3 years, the time needed for lenders to recover their investment.

Mortgage lenders argue that prepayment penalties enable them to offer loans at lower interest rates because they are assured of income for a period of time. Our amendment just requires them to offer prime borrowers an informed choice. If a lender offers a borrower a loan with a prepayment penalty, they also have to offer that borrower a loan with no prepayment penalty.

Also, our amendment would limit the period of prepayment penalties to 3 years and limit the amount of the penalty to 3 percent of the outstanding balance in the first year, 2 percent in the second, and 1 percent in the third. This standard has already been adopted in many States and is often referred to as the ''California standard.'' It represents what reputable lenders consider best practices. Prepayment penalties beyond 3 years are simply unjustified by any market need.

This is a balanced amendment that gives lenders adequate security and the option to offer prime loans with prepayment penalties, but also gives prime borrowers a choice to avoid prepayment penalties if they so wish. It is a sensible and necessary step to improved disclosure and improved choice.

I urge my colleagues to support it.

Madam Chairman, I reserve the balance of my time.

Mr. FEENEY. Madam Chairman, I claim the time in opposition.

The Acting CHAIRMAN (Ms. KAPTUR). The gentleman from Florida is recognized for 5 minutes.

Mr. FEENEY. I appreciate the gentlelady's amendment. And I suppose I can't argue that it does a great deal of harm under the bill, because what the bill essentially does is it takes millions of potential homebuyers and makes them ineligible, as a practical matter, for loans. And so all we're doing is taking those million people that can't get loans and saying one more type of loan they can't get is a loan with a prepayment penalty that lasts longer than 3 years built in.

Having said that, assuming some potential homebuyers escape the penalties under this bill and they actually do qualify to get a loan that puts them in a house that they like and that's affordable, what the gentlelady's amendment does is to make the marginal interest rate they may have to pay higher.

As the gentlelady said, lenders have demonstrated, I think conclusively, that there are lower interest rates available at times if you have a prepayment penalty built in because they know that that loan is going to be out there for 15, 20 or 30 years putting a stream of money into the pocket of the lender. That's why they do the more attractive long-term interest rate.

Now, I happen to not like prepayment penalties. Most Americans move a lot. But there are Americans, for example, on a fixed income that are retired and have a pension and they know they're going to be in a house for a long period of time and they don't mind a prepayment penalty.

What the gentlelady does is to take choices away from homeowners. By the way, I agree with the notion that we ought to have informed consent. There is nobody here arguing that we shouldn't inform consumers what the prepayment penalty is, what the consequences can be. What we are suggesting is that when you limit for 3 years the amount of the prepayment penalty, there are some homebuyers that otherwise would be able to get an attractive interest rate, buy the home of their dreams, stay in that home for 15 or 20 years and never pay the penalty that will never, ever get to move into that home because the gentlelady thought, in general, prepayment penalties are a bad idea for everybody. They are a bad idea for some people. If you move a lot, if you're going to have your circumstances changed, they can be a very bad idea. I negotiated a slightly higher interest rate because I do not have a prepayment penalty on my mortgage, but I think that individual free men and women, after they are informed, ought to be making these choices and not the Congress of the United States.

Again, I don't think this is a horrendous amendment because what the bill does is to say to millions of potential borrowers, as a practical matter, they will be ineligible going forward to get access to credit. But this makes a really bad bill marginally worse.

With that, Mr. Chairman, I yield back the balance of my time.

Mrs. MALONEY of New York. Mr. Chairman, I yield the remainder of my time to my colleague who has personal experience with prepayment penalty abuses.

The CHAIRMAN. The gentleman from New Jersey is recognized for 2½ minutes.

Mr. SIRES. I rise in support of this amendment. And this amendment, all it affords is a choice.

I want to thank Congresswoman MALONEY for her hard work and leadership on this issue, and I appreciate some of the concerns that I had on this amendment.

Let me just share a personal story. Before coming to Congress, I was part owner of a title insurance agency, and I have taken out a couple of mortgages in my time. It is fair to say that I had more knowledge about mortgages than the average consumer, and certainly more than a first-time home buyer. Yet, when I sold my home, I sold my home for the reason to come to Congress, I was shocked to learn that I owed $7,500 as a prepayment penalty. The circumstances that I sold the home were the fact that I was elected to Congress, that I had to disassociate myself with the property. If I was surprised by this penalty, imagine how surprised someone with less experience and knowledge would be. That is why I strongly support this amendment. It

presents the consumer with the necessary information so they can make an appropriate choice for their family.

The amendment also recognizes that the market should have the flexibility to offer prepayment penalties, and that the secondary market must have confidence that the mortgages they buy and sell are more secure.

Our amendment does not prohibit prepayment penalties on prime mortgages, nor does it cap the penalties at unreasonable levels. The penalties allowed by this amendment conform to industry best practices.

And I said it before, I strongly support this amendment. It is friendly to consumers and business. It would only serve to improve all mortgage transactions, which will ensure that the mortgage market has some stability.

I encourage all my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. WATT

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 110–450.

Mr. WATT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. WATT:

Page 46, line 7, insert ''the greater of actual damages or'' after ''shall not exceed''.

The CHAIRMAN. Pursuant to House Resolution 825, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

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

The bill, as currently constructed, caps damages at the amount of three times the broker or lender fees for steering. It's crucial to increase the remedies for steering so that a limited remedy does not simply get figured into the cost of doing business. A more effective way of changing broker behavior would be to provide a remedy that provides for the greater of actual damages, or three times the broker or lender fees, because it is unlikely that we will incentivize people not to steer unless we make the penalties sufficiently onerous.

We want to eliminate the possibility that a lender will simply treat the remedy in the bill as a cost of doing business, and we believe that making the damages alternatively three times the broker's fees or actual damages will have more impact on reducing this bad kind of conduct. That's what the amendment does.

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

□ 1345

Mr. BACHUS. Mr. Chairman, I am opposed to the amendment and claim time in opposition.

The CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. BACHUS. Mr. Chairman, in my opening statement I talked about the fact that we had had negotiations over the past 2 years trying to really gain a balance in this legislation between lender and borrower to ensure that credit is still available to borrowers, to ensure that there was proper incentive for lenders to make loans which did not violate this act. And I believe, in fact, we have done that. It's a careful balance. And I must say that I think the sense of proportionality in the amount of damages to be awarded that we have it right. But I believe this amendment would increase potential damages and is not warranted.

We are not trying to create a right of actions in this lawsuit. We are trying to discourage lenders from making predatory loans. And if they do make predatory loans, then our function here is for them to pay reasonable compensation and also to cure that loan or to make things right. And I believe that the underlying bill, not this amendment, strikes the right balance between consumers and originators.

I also believe that this amendment might unknowingly remove the incentive for an originator to originate a loan. As some of my colleagues on this side have cautioned, they believe the bill already does that. And I believe this would just be additional evidence to those who are already opposed to the bill that we have the right set of incentives and rights and liabilities under the bill.

At this time I would like to yield 1 minute to the gentleman from Colorado (Mr. PERLMUTTER).

Mr. PERLMUTTER. Mr. Chairman, I support this bill, and I appreciate the work that my friend Mr. WATT has performed. But with respect to this amendment, I have to oppose this amendment.

One of the things that Mrs. BIGGERT talked about was five principles that she saw in this bill. There is also a sixth principle of real estate and financing, and that is certainty. And what I fear is by making this the greater of actual damages or triple damages, triple being the amount of money that the mortgage originator made, at least he can figure out what that is. Actual damages really does just set the prelude for a lawsuit or a major controversy.

So I support this bill. I don't support the amendment. And I am going to urge a ''no'' vote on the amendment.

Mr. BACHUS. Mr. Chairman, at this time I would like to yield such time as he may consume to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding.

Mr. Chairman, I continue to be concerned about the increased liability exposure that is being introduced into the market creating even greater uncertainty at a time that many of us believe that we need even more liquidity in the market as we're looking at facing all of these subprime adjustable resets.

So, again, I find it somewhat odd that when we look at the Federal Reserve that appears to be pushing on the accelerator, this committee wants to push further on the brake.

And anytime you add increased liability upon a standard that many of us believe to be highly subjective, dealing with such terms as ''appropriate,'' ''net tangible benefit,'' ''predatory characteristics,'' you are going to chase more people out of the marketplace. Fewer people are going to want to originate these mortgages. You are deciding de facto with this amendment that there is some portion of Americans who are going to be denied their homeownership opportunities. Now, I can't tell you what their names are. I don't know exactly who they are. But there are just millions and millions of Americans who are just barely going to qualify to be able to get into their own home or keep their own home. And I hear from them every single day.

I've heard from the Kirkland family in Athens, Texas, in the Fifth Congressional District that I have the honor of representing. They wrote to me: ''Dear Congressman, I think Congress should not ban subprime loans. I think it lets people buy a home, improve their life, and own a piece of the dream.''

Now, this bill doesn't outlaw all subprime loans. The amendment doesn't outlaw all subprime loans. But there is a universe of subprime loans that de facto are going to be outlawed by the increased liability exposure in this amendment, and people like the Kirkland family will no longer own their home, and that is wrong.

Mr. WATT. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. MILLER).

Mr. MILLER of North Carolina. Mr. Chairman, I have said before that the remedies under this bill are very modest. They are so modest, in fact, that a great many consumers who have actually been harmed, who have clearly been wronged, who have clearly entered into a mortgage that violated the law are not going to have much they can do about it.

The other side calls this bill a trial lawyer bonanza, Mr. Chairman. Not many people are going to even find a lawyer who can bring a claim like this.

This takes very modest remedies and improves them only slightly. It's not going to provide for punitive damages or pain and suffering. It's just their out-of-pocket loss if they entered into a mortgage that violated the law. Again, the remedies are very modest. This makes them only slightly less modest.

Mr. WATT. Mr. Chairman, I yield myself the balance of my time.

I have listened to and acknowledged the concerns that are raised by the

other side and by Mr. PERLMUTTER from our side about this provision.

It is clear that certainty has value. But certainty when certainty is unfair and when you are trying to discourage a particular act such as steering a borrower to a higher priced loan, if you don't put in the bill the ability of people to get the actual damages that they incur as a result of being steered to a higher priced loan, then you are not going to deter the activity. Many unsavory people will treat this just as a cost of doing business because the reward for steering is so high that they can incur that risk for nine transactions and get rewarded and pay the cost of the risk on the one transaction that they might get caught on.

So if you really want to deter people from steering to the highest cost loan, you've got to provide an effective remedy that deters them from doing that. That's all I am trying to do. If people don't engage in this activity, there are no remedies. We don't even need any remedies. But where they engage in an activity that we have acknowledged under the bill is an undesirable activity, we have outlawed it. We have said thou shalt not steer to a higher cost loan. If you don't provide a remedy that is commensurate with that, then what you are saying to the market is you don't really care.

So I think this amendment is good, and I encourage my colleagues to support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. WATT).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BACHUS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from North Carolina will be postponed.

AMENDMENT NO. 16 OFFERED BY MR. PRICE OF GEORGIA

The CHAIRMAN. It is now in order to consider amendment No. 16 printed in House Report 110–450.

Mr. PRICE of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. PRICE of Georgia:

Page 36, line 25, insert ''or a qualified mortgage (as defined in section 129B(c)(3)(B))'' before the period at the end.

The CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Georgia (Mr. PRICE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. PRICE of Georgia. Mr. Chairman, I want to draw my colleagues' attention to what it is we are doing here today and what they think we might be doing. I would suggest, Mr. Chairman, today we are considering legislation that will change the way the mortgage industry is regulated in its entirety. Not just for the subprime market, in its entirety.

I and others are fond of saying that Congress does two things very well: one is nothing and two is overreact. And here today we are considering what the Wall Street Journal has dubbed the Sarbanes-Oxley for the housing industry. As you will recall, Mr. Chairman, there is general consensus that the Sarbanes-Oxley legislation that was passed was indeed an overreaction and resulted in damage to the business arena and also decreased jobs across our Nation.

What the Wall Street Journal has said about this bill is that it's ''an attempt to punish business in general for the excesses of an unscrupulous few and the perverse incentives created by Washington policy.'' Hence Sarbanes-Oxley for the housing industry.

Now, we have had a period here where some credit, some loans were unwisely given and that allowing individuals, allowing Americans to purchase homes and to realize their American Dream is a good thing.

For this reason I am offering an amendment that would limit this legislation to the area of lending that is of most concern today, that is, the subprime arena. Again, this bill regulates more than just the subprime market. Despite the fact that at our hearing in our committee on the legislative proposals, and we had an array of witnesses from all across the market and all across the political spectrum, during 9 hours of hearings, not a single individual, not one, advocated that we change the way that all mortgages are regulated. But that's what we are doing here with this bill today.

What we heard from those testifying was that they agreed that the subprime market might be underregulated, but not the prime market, not the jumbo market, not the other markets. What they said was that something needed to be done with the subprime market. Now, why are we here today? Well, there must be something else going on.

Later in that hearing, Chairman FRANK asked the third panel, comprised of representatives of various segments of the industry, a similar question: Do you think that all of the loans that were made over the last couple of years in the subprime area should have been made? And the panel's answer was clear: no, not all loans.

It's worth noting that Mr. Lackritz, the president and CEO of the Securities Industry and Financial Markets Association, appropriately pointed out to the chairman that there was obviously credit that was imprudently granted, but that we have to also think at the same time that it's important that we take a lot of pride in what this committee has done and in what the industry has done to broaden the circle of homeownership. Don't ban that, he said. Don't ban that. Yet that's exactly what will happen if this legislation passes.

Mr. Dugan, from the Office of the Comptroller of the Currency, testified that as a result of this legislation ''some creditworthy borrowers would be denied loans.''

For that reason, I believe it is important that we focus and take a measured approach. Adopt this amendment and we will confine the bill to the area that everyone says needs some assistance, where everyone says there is a problem: the subprime arena.

Mr. Chairman, there are 44 million mortgages out there across our Nation. Fourteen percent of them are in the subprime arena. Fifteen percent of those are challenged. That is a challenge for those individuals who are having that difficulty right now, but that doesn't call for entire re-regulation of the overall market. In the prime area, 3 percent of those loans are challenged. All loans, all loans, including prime loans, would be subject to the murky new requirements of this legislation which would require lenders to determine if borrowers have ''a reasonable ability to pay'' or a ''net tangible benefit'' from the refinancing of their loan. There is no reason to restrict the availability and the affordability of prime loans to eligible borrowers, especially when we have demonstrated how well these loans are operating even in today's market.

For that reason, I urge the adoption of the amendment. Let's not subject prime loans that are operating well today to the same burdensome regulation that is proposed for subprime loans.

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

□ 1400

Mr. SCOTT of Georgia. I rise to oppose the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Georgia. Mr. Chairman, the Price amendment attempts to exempt prime loans from the requirement of the bill. The Price amendment takes out prime loans from the definition of residential mortgage loans. Now, Mr. Chairman, this is one of the most significant financial crises that has impacted every sphere of our economy. While, yes, subprime issues may be at the eye of the storm, these winds are howling and they are blowing fierce and hard throughout every length and breadth of this country. More than three-fourths of Americans with mortgages have prime loans. The Price amendment will do one essential thing. It will deprive the vast majority of Americans, 78 percent of Americans will be deprived by his amendment of the many important critical protections in this bill.

Mr. Chairman, all Americans need consumer protections against risky loans. This crisis has weakened the entire American economy. Look at

Citigroup. Look at Countrywide. Major Fortune 200, 500 corporations have suffered tremendously. That has a ripple effect and has made millions of middle- and upper-income American families, as well as the lower-income families less secure. All Americans deserve to have the protections to stop bad loans from being made in the first place.

We need to make sure that both prime and subprime consumers get mortgages that they can repay. We need to make sure that prime and subprime mortgageholders are strengthened by consumer protections against reckless, abusive lending practices for both prime and subprime, and we need to make sure that both prime and subprime borrowers are not steered into more expensive mortgages. For example, Mr. Chairman, for prime borrowers, the Price amendment removes the important requirement in this bill that mortgage originators comply with what is known as ''Federal duty of care.'' By that we mean what we have under this bill, where mortgage originators have to offer prime borrowers full disclosures that are mandated by the bill. This bill ensures that all borrowers can make informed decisions when taking out loans. All borrowers deserve that, both prime and subprime.

Also under our bill, mortgage originators must present all borrowers, including prime borrowers, with the range of loan products that the borrowers can repay or that provide them with a net tangible benefit. The question was raised, what is net tangible benefit? It is making sure that the loan doesn't leave you in a worse-off position, for example, such as when you refinance, where your cash-out is less than the fees that you are paying.

The Price amendment also would take away this important protection from our borrowers. It removes the protection of prime borrowers against steering. This is critically important, as the gentleman from North Carolina that preceded me talked about. This carefully crafted bill requires strong rules against talking borrowers into more expensive loans that they cannot afford.

Mr. Chairman, both subprime and prime borrowers deserve that. These 78 percent of homeowners, borrowers would not have that kind of protection if we adopt the Price amendment. We need to protect our borrowers, both prime and sub, from having borrowers being talked into loans that have predatory characteristics like equity stripping, they do that for prime as well as subprime, excessive fees that leave them in a worse position than they were before.

The Price amendment would take away the important consumer protection that protects a consumer from loans they cannot repay, does not provide the tangible benefit, and then, Mr. Chairman, one important measure that treats borrowers differently based on race. At the bottom of this is this tug of war in this whole fight because this is targeted. There are many African Americans who are target or are prime, but they are targeted to move into subprime.

This issue bleeds all across the horizon, Mr. Chairman. This amendment that Mr. PRICE is offering severely weakens and guts this measure and deprives all Americans from having the equality of protection under the law. It must be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. PRICE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PRICE of Georgia. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Georgia will be postponed.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 110–450 on which further proceedings were postponed, in the following order:

Amendment No. 4 by Mr. WATT of North Carolina.

Amendment No. 16 by Mr. PRICE of Georgia.

The first electronic vote will be conducted as a 15-minute vote. The second electronic vote will be conducted as a 5-minute vote.

AMENDMENT NO. 4 OFFERED BY MR. WATT

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from North Carolina (Mr. WATT) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 169, noes 250, not voting 18, as follows:

[Roll No. 1112]

AYES—169

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Bordallo
Boswell
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Carnahan
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Conyers
Costello
Courtney
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Duncan
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Hastings (FL)
Higgins
Hinchey
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kaptur
Kennedy
Kildee
Langevin
Lantos
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Markey
Marshall
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McNerney
McNulty
Meek (FL)
Meeks (NY)
Michaud
Miller (NC)
Miller, George
Mitchell
Moore (WI)
Murphy, Patrick
Nadler
Napolitano
Neal (MA)
Norton
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pomeroy
Price (NC)
Rangel
Reyes
Richardson
Rodriguez
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Shea-Porter
Sires
Skelton
Slaughter
Solis
Space
Stark
Stupak
Sutton
Thompson (MS)
Tierney
Towns
Tsongas
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOES—250

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bean
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Boozman
Boren
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Carney
Carter
Castle
Chabot
Coble
Cohen
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Farr
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Hall (TX)
Harman
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Hobson
Hoekstra
Hooley
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kanjorski
Keller
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Larsen (WA)
Latham
LaTourette
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas
Lungren, Daniel E.
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Matheson
Matsui
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Murphy (CT)
Murphy, Tim
Murtha
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe

Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Royce
Ryan (WI)
Salazar
Sali
Schiff
Schmidt
Sensenbrenner
Sessions
Sestak
Shadegg
Shays
Sherman
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Sullivan
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Turner
Udall (CO)
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—18

Bono
Capuano
Carson
Cubin
Doyle
Fortuño
Hinojosa
Jindal
Kilpatrick
Kucinich
Linder
Mack
Moran (VA)
Oberstar
Paul
Ruppersberger
Saxton
Weller

□ 1431

Messrs. KELLER of Florida, SHULER, ROGERS of Alabama, DAVIS of Alabama, FARR, CARNEY, McINTYRE, COHEN, SPRATT, RAHALL and Mrs. BOYDA of Kansas changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. FRANK OF Massachusetts. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having assumed the chair, Mr. CARDOZA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, had come to no resolution thereon.

FAREWELL REMARKS OF THE HONORABLE DENNIS J. HASTERT, MEMBER OF CONGRESS

The SPEAKER. The Chair recognizes the distinguished Speaker of the House, DENNIS HASTERT of Illinois.

Mr. HASTERT. Madam Speaker, as Members of Congress, we are not here just to vote, but to speak; to give voice on this floor to the aspirations of our constituents, so this place where we speak, the Well of the House, is very special to me.

When I was a freshman Congressman in 1987, I delivered my first remarks from this podium. Twelve years later, on January 6, 1999, when I was first sworn in as Speaker, I made my acceptance speech from here as well. I explained at the time that I was breaking the tradition of the Speaker by making my acceptance remarks not from the Speaker's chair, because my legislative home is here on the floor, with you, and so is my heart.

Well, my heart is still here, and always will be. But the Bible reminds us in the book of Ecclesiastes, ''To everything there is a season; a time for every purpose under heaven.'' I think that pretty much sums up our existence in this place.

So now, after 21 years serving the people of Illinois in this House, the time has come for me to make my last speech from this podium. Our Founding Fathers envisioned a citizen legislature, and it is time for this legislator to return to being a private citizen.

Madam Speaker, when I was reelected as Speaker of this House in January of 2003, I was able to congratulate you on being the first woman to be nominated as Speaker. Just four short years later, you surpassed that achievement and became the first woman elected as Speaker. And I have to admit that as we went into that 2006 election, I was hoping that you would put off that achievement just a little bit longer. I think all of us in this House, regardless of party or our affiliation, were proud to be serving when that glass ceiling was shattered.

I would also like to thank you, Madam Speaker, for the many courtesies that you have shown me as a former Speaker of this House during the past year, including the opportunity to formally say good-bye to all of my colleagues here today.

I will get myself into trouble if I start singling out Members in these remarks. I owe so much to so many of you; for your friendship, for the many things you have taught me, and for your support during some very difficult days, such as the aftermath of 9/11 when I became a wartime Speaker.

But I would be remiss if I did not extend a heartfelt ''thank you'' to my colleagues and former colleagues in the Illinois congressional delegation and my freshman class of 1986. We have accomplished much working together.

I also want to thank my leader, the gentleman from Ohio (Mr. BOEHNER) and his fellow Republican leaders, who head a vibrant minority, the largest Republican minority since 1955, a minority that is demonstrating to the country that it should, and I think will, lead this House yet again some day.

I also want to thank the chairman of the Energy and Commerce Committee, the dean of this House, the gentleman from Michigan (Mr. DINGELL) who for four times administered to me the Oath of Office as Speaker. You, Chairman DINGELL, and our Republican leader on the committee, Mr. BARTON, welcomed me home to the committee. I have enjoyed working this past year as we have tried to tackle some of the most important issues that face our Nation, such as energy security, health care and telecommunications, and for that I thank both of you gentlemen.

More than 25 years ago when I entered politics, I never envisioned that this former teacher and wrestling coach from Kendall County, Illinois, would have the opportunity to lead the United States House of Representatives. It was you, the Members of this House, who gave me that opportunity longer than any other member of my party in history, and I am grateful to you.

Becoming Speaker was a very humbling experience, an opportunity that only 51 men and one woman have ever had since 1789. I suspect that sitting here in this Chamber are several men and women who will some day have the honor to be Speaker of this House. But whether that honor comes your way or not, you are already the trustee of one of the most wonderful jobs that anyone wanting to serve their country can have. You are a Member of the United States House of Representatives, entrusted by more than 700,000 people, citizens, to represent them.

Eleven times the voters of the 14th District of Illinois hired me as their representative. It has been a journey that we have traveled together, and every year brought new challenges. I am proud of so many of the things that I was able to work on over those years, working to make health care more affordable and accessible by creating tax-free Health Savings Accounts; delivering on long-awaited prescription drug coverage for seniors, while at the same time modernizing Medicare for the 21st century; passing two of the largest tax relief packages for working Americans in our Nation's history, which encouraged Americans to invest and small businesses to grow and to create new jobs; and reducing the unfair Social Security earnings limit on our senior citizens that needed to work.

Back home in Illinois, I was proud to work on environmental issues, like the removal of the dangerous thorium tailings from West Chicago, Illinois, and preserving the vital drinking water supply of the people of the Fox Valley.

But ultimately, the most important responsibility for any of us that serve this House is to provide for the defense of our Nation. It is our most solemn obligation.

On September 11, 2001, I became a wartime Speaker, and together we became a wartime Congress. On that dark day, our Congress was united. We were not Republicans or Democrats; we were just Americans. We stood shoulder to shoulder on the steps of this Capitol and vowed to do whatever was necessary.

In the following days and weeks and months, President Bush, Leader Gephardt and I worked together. We tried to bind the wounds of those victimized by the attacks, and then made sure that it would never happen again. We demanded that our intelligence agencies do a better job of sharing information. We gave law enforcement more effective tools and resources to guard

against attack. And we made an unprecedented investment in homeland security.

Did we get it all right? Of course not. Only hindsight is 20/20. But through those efforts, and the grace of God, we have avoided additional attacks on American soil. There is no doubt in my mind that the American people are safer today because of the heroic actions of our men and women who serve in our armed services and intelligence agencies and because of the actions taken here by our Congress.

It is popular these days to ask political figures what mistakes they have made, where they have failed. As a former history teacher, I know such analysis is best tempered by time and reflection, and that is probably best left to others.

But I will say this: I continue to worry about the breakdown of civility in our political discourse. I tried my best, but I wish I had been more successful. When I addressed this Chamber for the first time as your Speaker, I noted that ''solutions to problems cannot be found in a pool of bitterness.'' Those words are as true today as they were then.

We each have a responsibility to be passionate about our beliefs. That is healthy government. But we also have a responsibility to be civil, to be open-minded, and to be fair; to listen to one another; to work in good faith to find solutions to the challenges facing this Nation.

□ 1445

That is why the American people sent us here. They did not send us here just to get reelected.

As Speaker, I served with two Presidents. President Clinton and I worked together to fight the flow of drugs from Colombia, drugs that destroy the lives of our children. And despite our differences on some issues, we were able to find common ground on others.

For most of my years as Speaker, President Bush has been our wartime President. I believe history will judge him as a man of courage and foresight as well as resolve. I must say, I was proud to serve by his side and honored to call him a friend.

No Member of Congress could succeed in serving his or her constituents without the help of a dedicated staff. They often worked long hours, hard days. Many of them gave some of their most productive years to this institution, and I want to thank all of them and each of them for their service. And I also want to thank all of the people who make and have made this great body function on a daily base: the officers of the House, the Capitol Police, the Chaplain, the permanent staff. They are dedicated professionals who I came to appreciate even more during my years as Speaker.

I am also blessed to have a family that helped me every day over these 21 years. My two sons, Josh and Ethan, my daughter-in-law, Heidi, and our newest addition, my grandson, Jack Hastert. Most importantly, I want to thank my wife, Jean, who is here in the gallery. Thank you, Jean, for the love and the help you have given me.

In 2003, during the Cannon Centenary Conference on the Changing Nature of the Speakership, I said that at the end of the day the Speaker of the House is really just the person who stands up for the American people. That is the same role that every man and woman who serves here should play. Our Founders dreamed of a Nation, a Nation empowered by freedom, where citizens would find justice, where hardworking men and women would find economic opportunity.

Each of us who comes to this place has different ideas of how to preserve and enhance that dream. It is on the floor of this House where those ideas clash, peacefully, and through that struggle our democracy is renewed.

Never lose sight of the fact that you participate in the greatest ongoing democratic ritual in the world. We are, as President Reagan often reminded us, ''A Shining City on a Hill.'' Always be mindful of your duties to your constituents and be respectful of the traditions of this institution.

I pray that God will guide you in all that you do in these Halls; that He gives you the knowledge to do the people's work, the strength to persevere, and the wisdom to know when to listen to what others have to say.

Madam Speaker, there is a tradition among Olympic wrestlers that you leave your shoes on the mat after your last match. Don't be alarmed, Madam Speaker, I won't be challenging the rules of decorum by removing my shoes on the House floor. But I do hope that I have left a few footprints behind that may be of value to those who come after me, just as I have benefited from the footprints of those who I followed to this most wonderful of institutions, the people's House.

May God bless each of you. May God bless this House. May God bless the United States of America.

Good-bye, friends.

The SPEAKER pro tempore (Mr. HOYER). The Chair now recognizes the distinguished gentlelady from California, the Speaker of the House of Representatives, NANCY PELOSI.

Ms. PELOSI. Thank you, Mr. Speaker.

Thank you, my colleagues. I accept that recognition as a recognition of the role of Speaker of the House, a role that DENNIS HASTERT performed with great distinction, and I rise to salute his leadership, Mr. Speaker.

My colleagues, you have heard me say on a number of occasions in relationship to DENNIS HASTERT that in the Congress, as Members of Congress, we hold the title ''Honorable'' by virtue of our office that we hold. But in the case of DENNIS HASTERT, he holds the title of ''Honorable'' not just for the office he holds, but by virtue of his character, his leadership, and his contributions to our country.

About a year and a half ago in June we all observed a celebration for Speaker DENNIS HASTERT when he became the longest-serving Republican Speaker of the House.

Long may his record stand.

That milestone was testament to the great respect he commanded not only in the Republican Conference but in this Congress as a whole and in our country. Thank you, DENNIS HASTERT, for your record of achievement.

I want to acknowledge someone who had a role that I once had, minority leader, who is with us today and honors us with his presence and again is a tribute to the leadership of DENNIS HASTERT, Minority Leader Bob Michel.

Many of you know but I think it always bears repeating that DENNIS HASTERT has long had a commitment to our country, first as a teacher: for 16 years, a teacher of our children, and a coach, as he reminds us.

He then went on to the State legislature in Illinois where he served for 6 years. And then in 1986 he came to the Congress of the United States where he has served with great distinction and with many accomplishments, and he enumerated some earlier.

In 1999, this Congress elected him the Speaker of the House. The Speaker of the House. He brought to that office the values of the heartland of America and the wishes and the voice for the people of Illinois' 14th Congressional District, and we have all benefited from that.

Although we have from time to time on occasion differed on issues, I remember once, we all agree on the importance of public service, the kind of public service that has been the hallmark of Speaker HASTERT's career, whether in the classroom or in the Congress of the United States.

Today I want to join my friend, DENNIS, in saluting Jean for sharing DENNIS with us for all these years and for her role as a teammate to him and his contributions to our country. And thanks to Joshua and Ethan and to your entire family.

Mr. Speaker, and by that Mr. Speaker I am speaking to Speaker DENNIS HASTERT, I know I speak for everyone in this House when I thank you for your service, for many things, which I could enumerate, but I want to mention one in particular which I have mentioned to this House before.

We all were part of history when Rosa Parks became the first African American woman to lie in state under the Capitol dome. It was a great day for Congress and for our country. It simply would not have happened without the leadership of Speaker DENNIS HASTERT.

As you can imagine, Mr. Speaker, it is always a pleasure for me to say I know I speak for every Member of this House, but I know I do when I say thank you for your leadership, congratulations on a great career. I know great things are yet to come.

Best wishes to you and your family. Godspeed in your future. God truly

blessed America with your service to our country.

Thank you, Mr. Speaker.

□ 1500

PROVIDING FOR AN ADJOURNMENT OR RECESS OF THE TWO HOUSES

Mr. FRANK of Massachusetts. Mr. Speaker, I send to the desk a privileged concurrent resolution (H. Con. Res. 259) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 259

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, November 15, 2007, or Friday, November 16, 2007, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Tuesday, December 4, 2007, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Thursday, November 15, 2007, through Thursday, November 29, 2007, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, December 3, 2007, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC 2. The Speaker of the House and the Majority Leader of the Senate, or their respect designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore (Mr. WEINER). The question is on the concurrent resolution.

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

Mr. BOEHNER. 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 214, nays 196, not voting 22, as follows:

[Roll No. 1113]

YEAS—214

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NAYS—196

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ellsworth
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mitchell
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Sullivan
Tancredo
Tanner
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—22

Blackburn
Bono
Carson
Conyers
Cubin
Delahunt
Doyle
Ehlers
Emerson
Hastert
Hinojosa
Jindal
Kucinich
Mack
Melancon
Moran (VA)
Oberstar
Paul
Slaughter
Waxman
Weldon (FL)
Weller

□ 1518

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO OFFER AMENDMENT NO. 10 AT ANY TIME DURING FURTHER CONSIDERATION OF H.R. 3915

Mr. FRANK of Massachusetts. Madam Speaker, I ask unanimous consent that during further consideration of H.R. 3915 in the Committee of the Whole, pursuant to House Resolution 825, amendment No. 10 be permitted to be offered at any time.

The SPEAKER pro tempore (Ms. MCCOLLUM of Minnesota). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 825 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3915.

□ 1519

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 further consideration of the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for

other purposes, with Mrs. TAUSCHER (Acting Chairman) in the chair.

The Clerk read the title of the bill.

The Acting CHAIRMAN. When the Committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 16 printed in House Report 110–450 by the gentleman from Georgia (Mr. PRICE) had been postponed.

AMENDMENT NO. 5 OFFERED BY MR. WATT

The Acting CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 110–450.

Mr. WATT. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. WATT:

Page 60, line 3, strike ''or'' and insert ''and''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. WATT. Madam Chairman, this amendment, on its face, is very, very simple, although I expect there will be some controversy about it. The amendment simply changes one word. The word is ''or.'' We change the word to ''and'' in the bill instead. You would think that would be noncontroversial, but let me get into the effect of that.

Currently, if an assignee of a mortgage has policies and procedures not to buy subprime loans that do not meet safe harbor provisions that are in this bill, or if the assignee is willing to cure such loans, the assignee has no liability until you get to a foreclosure situation. That's very complicated, I understand; but that's what the bill provides.

The effect of the amendment would be to require the assignee to have policies and procedures in place and do certain things and be willing to cure the loan to avoid being liable for rescission.

That's important because if you give the option to an assignee of either curing or having policies and practices that are responsible in place, an assignee can then just treat the cure as a cost of doing business, and it becomes an ineffective choice. But if they are obligated to both have the policies and procedures and protections in place, and be willing to cure the loan, then they are not going to exercise the option to do the least onerous one of those things.

It is a simple provision, a simple change, although I understand the arguments against it.

And I will, having created the framework and explained what we are trying to do, reserve the balance of my time.

Mr. BACHUS. Madam Chairman, I rise to claim the time in opposition.

The Acting CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. BACHUS. Madam Chairman, as has been discussed both in committee and on the floor of the House this morning, this legislation is a result of Democrats joining with Republicans. Not all. I mean, many Republicans are opposed to this legislation.

But after 2 years of trying to address the subprime lending crisis, many Members of this body came together to craft legislation. That legislation is not perfect, nor will it be. I have concerns about it.

My Members, many of them, are particularly concerned about the liability provisions. And this amendment fundamentally unravels, at least a consensus that some of us have reached with the other part by gutting the safe harbor contained in the legislation that is critical to the functioning of the secondary mortgage market. Without liquidity provided by the secondary market, the homeownership dreams of millions of Americans, particularly low- and middle-income Americans, will simply not be realized.

If this amendment is enacted, the safe harbor for the secondary market would disappear because notwithstanding the satisfaction of the statutory elements of the safe harbor, securitizers would be required to cure any violations of the bill's minimum standards by a creditor. This would effectively eliminate any benefit from the conduct of due diligence by secondary market participants that this bill is intended to promote. Deprived of that safe harbor, securitizers would simply stop purchasing loans. The effect on the availability of mortgage credit and on the housing market across the country would be devastating.

Madam Chairman, I reserve the balance of my time.

Mr. WATT. Madam Chairman, I reserve the balance of my time.

Mr. BACHUS. Madam Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding. I too share great concern about this amendment. I've had concern about assignee liability in this legislation to begin with. But I at least recognized the benefit of having a so-called safe harbor provision.

As I looked at the safe harbor, I was somewhat fearful that there were still some dangerous reefs that were lurking beneath the waves. I'm fearful if this amendment is passed not only will those dangerous reefs be present, but any harbor will have disappeared as well.

Again, we need to step back and decide, on this entire issue of assignee liability, when we look at all the resets that are due to happen in the market, will this legislation add liquidity to the market? Will it subtract liquidity from the market?

For people who are trying to keep their homes, over and above whatever the market is providing, are the actions of us in this body going to exacerbate the situation and dry up even more liquidity?

I think this is a major amendment, that whatever balance was struck in this area completely removes that balance. And I think it will provide for an explosion of liability exposure that could be very, very damaging to the secondary market.

I've heard the distinguished chairman of the committee on a couple of occasions refer to Chairman Bernanke's comments on the subject. And I'm not sure I've seen where he's actually advocated assignee liability, although he has acknowledged that, under certain circumstances, in a very limited situation, it might be helpful.

But I also saw in his testimony before our committee, if I can quote from the chairman: ''We've seen from different States different experiences and there have been examples where assignee liability provisions have driven lenders out of the State.''

Let's not drive them out of the Nation. Let's reject this amendment.

□ 1530

Mr. WATT. Madam Chairman, I reserve the balance of my time.

Mr. BACHUS. May I inquire as to how much time is remaining?

The Acting CHAIRMAN. The gentleman from Alabama has 1 minute remaining. The gentleman from North Carolina has 2½ minutes remaining.

Mr. BACHUS. Madam Chairman, if this amendment is adopted, it's going to seriously damage this bill. I urge all of my colleagues to resist this amendment.

Madam Chairman, I yield the remaining time to the gentleman from North Carolina.

Mr. MCHENRY. I thank the ranking member.

In brief, my colleagues must understand the simplicity of this amendment. What it would say is the secondary market has to give a road map for those who are facing foreclosure for them to get out of their mortgage. In essence, what it says is, if you want out of your mortgage, here's the road map to do it.

I think this would be a destructive influence on the market. It would further undermine the secondary market and the liquidity in the marketplace and would further harm home ownership. I urge my colleagues to oppose it.

Mr. WATT. I yield myself the balance of the time, and I assure you, I won't use it.

The arguments that have been made are absolutely correct with respect to 99 44/100 percent of the people operating in the market. These are not bad people. But this bill was drawn to get at that small percentage of the market that is out of control. And if you give that small percentage of the market the option of either doing some paperwork or curing, as opposed to having to do both of those things, I guarantee you they will take the option that is most cost beneficial to them. And

that's what we've been trying to stop, those people in the marketplace who are out of control. And that's what this amendment is designed to do.

For the rest of the market, it really won't have any impact at all because they're going to put procedures in place and they are going to be willing to cure, if that's the last resort.

So, I think, unfortunately, there are players in this market that have been out of control. This bill is designed to deal with them, and this amendment would help disincentivize them being out of control without harming anybody else. I would encourage my colleagues to support it.

Madam Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. WATT).

The amendment was rejected.

AMENDMENT NO. 10 OFFERED BY MR. PUTNAM

The Acting CHAIRMAN. It is now in order to consider amendment No. 10 printed in House Report 110–450.

Mr. PUTNAM. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. PUTNAM:

Page 79, after line 20, insert the following new section (and amend the table of contents accordingly):

SEC. 214. REPORT BY THE GAO.

(a) REPORT REQUIRED.—The Comptroller General shall conduct a study to determine the effects the enactment of this Act will have on the availability and affordability of credit for homebuyers and mortgage lending, including the effect—

(1) on the mortgage market for mortgages that are not within the safe harbor provided in the amendments made by this title;

(2) on the ability of prospective homebuyers to obtain financing;

(3) on the ability of homeowners facing resets or adjustments to refinance—for example, do they have fewer refinancing options due to the unavailability of certain loan products that were available before the enactment of this Act;

(4) on minorities' ability to access affordable credit compared with other prospective borrowers;

(5) on home sales and construction;

(6) of extending the rescission right, if any, on adjustable rate loans and its impact on litigation;

(7) of State foreclosure laws and, if any, an investor's ability to transfer a property after foreclosure;

(8) of expanding the existing provisions of the Home Ownership and Equity Protection Act of 1994;

(9) of prohibiting prepayment penalties on high-cost mortgages; and

(10) of establishing counseling services under the Department of Housing and Urban Development and offered through the Office of Housing Counseling.

(b) REPORT.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing the findings and conclusions of the Comptroller General with respect to the study conducted pursuant to subsection (a).

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Florida (Mr. PUTNAM) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. PUTNAM. Madam Chairman, I have an amendment today that would direct the GAO to conduct a study to determine the effects the enactment of H.R. 3915 will have on the availability and affordability of credit for homebuyers and mortgage lending, and then submit a report to Congress containing the findings and conclusions within 1 year of enactment.

With that, I would yield to my chairman.

Mr. FRANK of Massachusetts. Madam Chairman, on the question of this GAO report, I believe it is a reasonable request because I am confident it will come back in support of our bill. And I think it is entirely reasonable to ask them to start, without waiting for passage of the whole bill in both Houses.

Mr. PUTNAM. So the gentleman would agree that we could join together and request the study even prior to final passage of the bill?

Mr. FRANK of Massachusetts. Yes. Well, actually, final passage of the bill is going to, I hope, happen in a couple of hours in the House; but before it gets to the Senate, without waiting for the Senate, yes.

Mr. PUTNAM. I thank the gentleman. And I look forward to joining him on that request to the GAO.

Madam Chairman, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Madam Chairman, I rise in opposition.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. And I will yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Let me thank Chairman FRANK, Chairman WATT, Congresswoman WATERS and all the members of the Financial Services Committee for their leadership and commitment to help Americans who are struggling. And we all know, quite frankly, many, many people are struggling to keep their homes as this mortgage crisis continues to claim victims.

This legislation adds a very important piece of what we're trying to do in terms of the protections, including limiting prepayment penalties, requiring that loans be affordable, and that refinancing provide a net benefit to borrowers. However, I have some concerns about H.R. 3915 that I hope will be addressed as it moves through the process, and I would like to just mention a few of those concerns because I think they're very important to hear. They were forwarded by ACORN, the Center for Responsible Lending, the Consumer Federation of America, Leadership Conference on Civil Rights, the NAACP, Ohio Attorney General Marc Dann, and Opportunity Finance Network. They raised concerns with regard to these issues:

One, the ability to pay. They believe the standard does not apply to all loans, it undercuts agency guidelines, and will not change the markets;

Secondly, the prohibition on steering is weak and upselling of loan rates still possible. Homeowners cannot prevent foreclosure. Some feel, and I know that this is being addressed today, that the preemption is too broad.

So, I know that, as this bill moves through the process, we will look at it. It is a starting point. I urge our colleagues to make sure that it does become stronger because this American Dream of home ownership is, quite frankly, turning to a nightmare for so many people.

I want to thank Chairman FRANK for his leadership and for really trying to put together a bipartisan bill. And also, with regard to the Putnam amendment, the reporting, I think, makes sense.

NOVEMBER 15, 2007.

Hon. BARNEY FRANK,
Chairman, House Financial Services Committee.
Hon. SPENCER BACHUS,
Ranking Member,
House Financial Services Committee.

DEAR CHAIRMAN FRANK AND RANKING MEMBER BACHUS: We, the undersigned organizations, write to present our views on H.R. 3915, the Mortgage Reform and Anti-Predatory Lending Act of 2007. While we greatly appreciate your efforts to reduce predatory lending and to restore balance to the mortgage market, we believe this bill requires improvements in the areas described below in order for the bill to achieve its goals.

Subprime lending has been a disaster of monumental proportions, shattering hopes of economic progress for millions of families and triggering a devastating chain reaction of losses for communities and businesses. More than two million families will likely lose their homes as a result, and for most families—especially African-Americans and Latinos—their home equity represents the greatest share of their family wealth. Wall Street's demand for risky loans with higher interest rates played a key role in encouraging reckless lending, and brokers delivered whatever loans they could sell.

When H.R. 3915 was introduced, we applauded many of its strongest provisions, such as the originator duty of care and anti-steering rules, the bans on yield spread premiums, prepayment penalties, mandatory arbitration, and single premium credit insurance, and the special protections for extremely high-cost mortgages and for renters.

It is crucial to retain those strong provisions, to improve the remedies and market incentives in the bill, and to avoid preemption of state laws related to these issues. Unfortunately, as the bill has passed through the legislative process, several of the strongest provisions (such as the duty of case and ban on yield-spread premiums) have been weakened, the remedies have been weakened rather than strengthened, and a preemption clause has been added that would eliminate important state claims that help homeowners protect the homes.

Our concerns about the bill fall into four main areas:

''Ability to Pay'' Standard Does Not Apply to All Loans, Undercuts Agency Guidance, and Will Not Change Market: The bill requires no ability to pay standards for approximately 90% of the current mortgage market and creates an irrebuttable presumption that any loan below 8.25% is affordable.

This immunity undercuts the existing joint agency guidance that currently sets ability to pay standards for risky loans, especially loans such as payment options ARMs, the majority of which are ''qualified mortgages.'' Moody's estimates that monthly payments on $220 billion of POARMs will reset—in most cases to much higher monthly payments—between 2009 and 2011. Additionally, because there is no requirement that secondary market purchasers conduct due diligence, we fear that the secondary market will continue to purchase abusive loans and choose to absorb the expense of any cures as part of the cost of doing business.

Prohibition on Steering is Weak and Upselling of Loan Rate Still Possible: Rather than prohibiting yield spread premiums, as was originally intended, the bill as amended now essentially authorizes such practices as long as there is disclosure to the consumer. Research shows that disclosure has virtually no effect on preventing abusive lending practices such as steering. We also fear that incorporating Title II into the Title I standards significantly weakens the entire structure, and the permitted damages are insufficient to change the market. Moreover, the damages for violation of the steering provision are too low to change broker behavior.

Homeowners Cannot Prevent Foreclosure: As currently drafted, homeowners have no rights against the actual holder of the loan (in other words, against the entity that will foreclose on them) until a foreclosure has already begun. At that point, not only has the family been traumatized, but the damage to the homeowner's credit is done, which will likely prevent the use of the rescission remedy. Moreover, even in foreclosure, it is not fully clear that homeowners will be able to reach the holder in the vast majority of situations.

Preemption is Too Broad: Although we appreciate that there is not preemption for the entire bill, the broad preemption in the area of assignee liability would wipe out the many existing state laws, such as UDAP statutes [and UCC protections?], that provide remedies against assignees. Since most loans are sold soon after origination, and since so many originators and creditors are thinly capitalized (assuming they even are still in business), many homeowners will be left without any remedy for unaffordable loans.

Ultimately, unless legislation fundamentally changes the incentive structure both for Wall Street and for mortgage originators, predatory lending is likely to continue in one form or another.

We look forward to continuing to work with the Congress as this bill moves through the legislative process.

Sincerely,

ACORN, CDFI Coalition, Center for Responsible Lending, Consumer Federation of America, Leadership Conference on Civil Rights, NAACP, Ohio Attorney General Marc Dann, Opportunity Finance Network.

Mr. FRANK of Massachusetts. I yield myself 1 minute to comment on what the gentlewoman has said because we've agreed to the gentleman's amendment, so we're on some other subjects now.

What I would say is this: I would want to stress with regard, for instance, to ability to pay and jeopardizing the right of the homeowner, nothing in this bill in any way diminishes State remedies regarding ability to pay on prime loans. That's the argument, that we do not deal with the ability to pay on prime loans, et cetera. But the effect of that is that any remedy a State wants to pursue against the originator of the loan or the lender remains unimpeded. So we did want to make that point.

And just to say also, with regard to the incentive to charge more, the gentleman from North Carolina (Mr. MILLER) and I discussed that. It will be very clear to anybody by the time this bill becomes law that there is no possibility of anyone being given higher compensation in return for getting people into a more expensive loan.

As to preemption, there will be some. There are people who want none at all. I do not think you could have a secondary market if there were no preemption. But we have already, in the manager's amendment, defined it, and I think reassured people that, for instance, fraud, deception, et cetera, that causes arising out of that will not be preempted.

I now yield the remaining time to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Let me thank the distinguished Chair for yielding the time. And let me acknowledge in this very short time the importance of this legislation, and particularly, its importance to my community in Houston.

The most important point that I would like to emphasize is the issue of the standards being put in place for mortgage brokers. I happen to be very happy that standards are preempting State standards in this instance, because Texas needs that kind of regulation.

Let me also take note of the fact that I know Mr. WATT was intending to bring forward an amendment regarding reverse mortgages, and may submit it or not. But knowing that I just recently dealt with a constituent, an elderly constituent who suffered from a reverse mortgage loan, she utilized the reverse mortgage, and now she can't find any of those that provided that loan and cannot afford to pay it back and she is about to lose her house. So, with the numbers of homeless in our community and with the numbers of homeless across America, the fact that we are talking about creating a better housing market and also creating jobs as we go forward, this is a constructive bill.

I would ask my colleagues to consider the fact that affordable housing only comes from a regulated and positive market. I like the underlying amendment, but I think it is important to set standards for mortgage brokers and to ensure that there is consumer protection in housing for those most vulnerable.

And I appreciate, in particular, that this bill has created a Office of Housing Counseling to help new homeowners. And might I, as I close, Madam Chairman, just indicate that I support the concerns of ACORN and the NAACP and look forward to those issues being corrected as we make our way to conference.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. PUTNAM).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MR. WATT

The Acting CHAIRMAN. It is now in order to consider amendment No. 6 printed in House Report 110–450.

Mr. WATT. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. WATT:

Page 52, strike lines 13 and 14 and insert the following new subparagraph:

''(B) if such loan is—

''(i) a qualified safe harbor mortgage; or

''(ii) a nontraditional mortgage.''.

Page 56, after line 3, insert the following new subparagraph:

''(D) NONTRADITIONAL MORTGAGE.—The term 'nontraditional mortgage' means any residential mortgage loan that allows a borrower to defer payment of principal or interest.''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. WATT. Madam Chair, you may not have to recognize anybody in opposition to this amendment because I plan to offer it and then withdraw it. But I think I would be remiss not to discuss the issue because of two reasons: Number one, it needs to be discussed because of the very difficult, delicate balance that the Chair has been able to walk to get us to this point; and number two, to illustrate once again that when you allow good things to happen in the marketplace, some people in the marketplace will abuse them. And trying to get the right balance to encourage good things to happen in the marketplace and not discourage that from happening opens up, sometimes, the possibility that people who are not well intentioned will engage in activities that need to be prevented. And this is the classic case of that.

Basically, the bill now presumes that we meet the ability to repay a loan and provide net tangible benefit to a borrower if it is not a subprime loan. If it is a prime loan in the marketplace right now, that interest rate is 8.25 percent, so anything below that we presume to be a good loan.

The market now has done this. They've made available in the market a loan that defers interest and principal. And that is a good thing for about 90 percent of the people, maybe even more than that, who have the ability to do that. I'm the classic example of that. I have a loan in which I can defer for a period of time both the interest and the principal on the loan. But if you make that kind of loan available to somebody who doesn't have the income level that is sufficient

to pay it, under this bill, they can't even go back and offer proof that you shouldn't have done that, because we presumed, irrefutably presumed, that this is a good loan. And so the amendment that I was trying to craft and offer would have tried to close that. The problem is, if I close it for the bad people, then I also close it for the good people.

And so, as an alternative to proceeding with the amendment, I have convinced the Chair, I hope, that we will continue to work on this issue and find a way to stop the bad people from making these kinds of loans or abusing the process without penalizing the people who really deserve and should have these kinds of loans, which I acknowledged from the very beginning serve a useful place in the marketplace.

I yield to the chairman of the committee.

Mr. FRANK of Massachusetts. I will say on this, as on a number of other issues, I will say very sincerely that the gentleman from North Carolina has persuaded me. I think he has clearly identified an issue that needs some further work. And as we go forward, ultimately to get this bill done, I would hope that we can work together on this.

Mr. WATT. And that's all I wish to have acknowledged, and to demonstrate to everybody who is listening, really, that this has been a difficult issue, because just about any kind of loan that can be made in the marketplace, somebody can benefit from.

□ 1545

But when you have a loan that is particularly subject to being abused, you have to have rules to constrain it.

Madam Chairman, I ask unanimous consent to withdraw my amendment.

The Acting CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 7 OFFERED BY MR. HENSARLING

The Acting CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 110–450.

Mr. HENSARLING. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. HENSARLING:

Page 73, after line 25, insert the following new section (and redesignate subsequent sections accordingly):

SEC. 211. LENDER RIGHTS IN THE CONTEXT OF BORROWER DECEPTION.

Section 130 of the Truth in Lending Act is amended by adding at the end the following new subsection:

''(j) EXEMPTION FROM LIABILITY AND RESCISSION IN CASE OF BORROWER FRAUD OR DECEPTION.—In addition to any other remedy available by law or contract, no creditor, assignee, or securitizer shall be liable to an obligor under this section, nor shall it be subject to the right of rescission of any obligor under 129B, if such obligor, or co-obligor, knowingly, or willfully furnished material information known to be false for the purpose of obtaining such residential mortgage loan.''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Texas (Mr. HENSARLING) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. HENSARLING. Madam Chairman, there are clearly many reasons why home loans go delinquent. The number one reason, we all know, is the loss of a job, or other bad luck like long-term illness or disability. Clearly a phenomenon that has been discussed at quite some length in committee and on the floor, predatory lending has played a significant role as well. And many of us have urged very robust antifraud provisions and increased resources for enforcement.

But I think we also shouldn't underestimate the role of another phenomenon in home loans becoming delinquent, and I call that predatory borrowing. People who knowingly take advantage of the system, who game the system, who give false information in their disclosures and their verifications. And making the risk-based analyses that lenders use to determine how much money a person should be responsibly lent makes that impossible. And there are borrowers, there are borrowers all across America who have knowingly exaggerated their incomes. They represented that they used a home for their primary residence, and they didn't. They acted as straw buyers in property-flipping schemes and used other scams to qualify for loans that otherwise they would not have qualified for and loans that they cannot pay back, and to a great extent many other people are now suffering.

And the result of this predatory borrowing is predictable: higher foreclosure rates; reduced availability of credit in the market; fewer homeownership opportunities for those low-income people, those people who may have a checkered credit past but who are honest, who are responsible, and who just need a second chance.

So, Madam Chairman, I think this is a very, very modest amendment today that would simply remove the civil liability of a lender and cancel the right of rescission for a borrower in instances where the borrower knowingly lied on their mortgage loan application.

Borrowers who have done this, who have misled lenders into giving them these loans, should not be able to turn around and then sue the lender and be able to rescind those loans to compound their deception with some kind of financial advantage. I hope that most, if not all, of us would hopefully conclude that that is an absurd and perverse result. One should not profit from their dishonesty.

I certainly appreciate the chairman's willingness to work with me on this amendment. I have been led to believe that he supports it. And although I respect the views of everybody in this committee, I have clearly said that I do not believe this bill should pass. But if it does pass, if it does pass, there does need to be some minimal acknowledgment of the role of personal responsibility and of predatory borrowing. And I urge the adoption of the amendment.

Madam Chairman, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Madam Chairman, I claim the time in opposition, not in opposition although there is going to be a secondary amendment.

The Acting CHAIRMAN. Without objection, the gentleman from Massachusetts is recognized for 5 minutes.

There was no objection.

Mr. FRANK OF Massachusetts. The gentleman said he had been led to believe that I would be supportive. I wouldn't want the gentleman to be in suspense as to whether or not he had been misled.

I know there have been conversations between him and the gentleman from North Carolina about a secondary amendment. And assuming everything goes as we have all discussed, he has not been misled. The gentleman can sleep easily tonight that people told him the truth, because I am prepared to be supportive of what we have got worked out.

Madam Chairman, I yield back the balance of my time.

AMENDMENT NO. 8 OFFERED BY MR. WATT TO AMENDMENT NO. 7 OFFERED BY MR. HENSARLING

Mr. WATT. Madam Chairman, I have a secondary amendment to the Hensarling amendment at the desk which has been made in order under the rule.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 printed in House Report 110–450 offered by Mr. WATT to amendment No. 7 printed in House Report 110–450 offered by Mr. HENSARLING:

In the amendment, insert ''and with actual knowledge'' after ''willfully''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. WATT. Madam Chairman, my good friend Mr. HENSARLING may be surprised to know that we actually agree very much with the spirit of what he is trying to do. And I am not sure that my amendment will absolutely cure all of the concerns we have with it, but it will certainly make it better, and we will continue to work on trying to really address the issue.

We don't want anybody to walk in and give false information on an application for a loan. One of the reasons we fought so hard to protect State laws

and not to preempt all State laws is because that would be fraud and we think it would be outrageous, it would be shyster. But as everything, there is another side to this, and I will illustrate it with a loan that I just recently closed myself, a loan that was made to me.

I submitted the application. I submitted the financial information. And what happened after that was that because the lender wanted their own form, they took my information that I had submitted to them and put it on their own form. They handed it back to me in a stack of forms that I needed to sign, and I signed them.

Now, what has happened in the marketplace much, much more than the gentleman would like to know is that when that second block of papers came back, somebody had put false information on that application because they knew this borrower was not going to qualify for the loan if they didn't fudge the borrower's income, if they didn't fudge the borrower's credit in some way. So it was not the borrower who gave the false information; it was somebody else in the chain. And that is what we have got to guard against. And that's what the basic bill is all about.

Now, we don't have any problem holding people personally accountable for the information that they knowingly provide; but if somebody just sticks some documents in front of me after I have given them the right information and they go back and change the information or put it on another form and I just happened to sign it because I presumed that the lender I am dealing with or the broker I am dealing with is honorable, I shouldn't be held accountable for that. And my second-degree amendment helps to make that clearer. And I hope by the time this bill gets passed, we can make it absolutely clear that what Mr. HENSARLING is trying to accomplish and what I am trying to accomplish get taken into account.

Madam Chairman, I reserve the balance of my time.

Mr. HENSARLING. Madam Chairman, I would like to claim the time in opposition although I am uncertain at this point whether I am actually opposed to the gentleman's second degree amendment.

The Acting CHAIRMAN. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. HENSARLING. Madam Chairman, although it has been many years, I had a short and unillustrious career as an attorney; so I'm somewhat familiar with the term ''knowingly'' as a legal term of art. I am less familiar with the phrase ''with actual knowledge.'' Hearing the gentleman from North Carolina's explanation, I think we are trying to get at the very same situation. So the only thing that made me somewhat nervous is I am unacquainted with the phrase as a legal term of art. I do believe that the gentleman and myself are trying to achieve the same thing. Perhaps it's innocuous.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. HENSARLING. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I would be glad, Madam Chairman, to give the gentleman my assurance. And we can't all, when we see these things, know it's exactly right. If as we go forward, assuming the secondary amendment and the primary amendment are adopted, if the gentleman needs some further clarification of questions that we can deal with between now and the time of the final bill, we are open to continue those discussions.

Mr. WATT. Madam Chairman, will the gentleman yield?

Mr. HENSARLING. I yield to the gentleman from North Carolina.

Mr. WATT. I will give him the same assurance. And I said it in my statement because I just got the gentleman's amendment yesterday or the day before, and I confess that my amendment to his amendment may not accomplish everything that both of us are trying to accomplish either, which is why I said we are going to have to continue to work on this, and I am certainly willing to continue to work with him.

I understand exactly what the gentleman is trying to achieve. We share that objective. But we want to make sure that the concerns I raise don't get washed up in the ''knowingly'' term that the gentleman used.

Mr. HENSARLING. I appreciate the gentleman's comments. I certainly take the distinguished chairman at his word, and I take the gentleman from North Carolina at his word, and I certainly withdraw any objection that I might have to the second-degree amendment.

Madam Chairman, I yield back the balance of my time.

Mr. WATT. Madam Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. WATT) to the amendment offered by the gentleman from Texas (Mr. HENSARLING).

The amendment to the amendment was agreed to.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HENSARLING), as amended.

The amendment, as amended, was agreed to.

AMENDMENT NO. 9 OFFERED BY MR. MEEKS OF NEW YORK

The Acting CHAIRMAN. It is now in order to consider amendment No. 9 printed in House Report 110–450.

Mr. MEEKS of New York. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. MEEKS of New York:

Page 15, line 10, strike ''reviewed, approved, and'' and insert ''reviewed, and''.

Page 15, after line 12, insert the following new paragraph:

(3) LIMITATION AND STANDARDS.—

(A) LIMITATION.—To maintain the independence of the approval process, the Nationwide Mortgage Licensing System and Registry shall not directly or indirectly offer pre-licensure educational courses for loan originators.

(B) STANDARDS.—In approving courses under this section, the Nationwide Mortgage Licensing System and Registry shall apply reasonable standards in the review and approval of courses.

Page 15, line 13, strike ''and administered''.

Page 15, line 14, insert ''and administered by an approved test provider'' before the period.

Page 17, line 23, strike ''reviewed, approved, and'' and insert ''reviewed, and''.

Page 18, after line 14, insert the following new paragraph:

(5) LIMITATION AND STANDARDS.—

(A) LIMITATION.—To maintain the independence of the approval process, the Nationwide Mortgage Licensing System and Registry shall not directly or indirectly offer any continuing education courses for loan originators.

(B) STANDARDS.—In approving courses under this section, the Nationwide Mortgage Licensing System and Registry shall apply reasonable standards in the review and approval of courses.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from New York (Mr. MEEKS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. MEEKS of New York. Madam Chairman, over the past few years, the Financial Services Committee has been working to strike the right balance between protecting home buyers without eliminating the viability of the subprime mortgage market. Under the leadership of Chairman FRANK, I believe we have struck that balance in a bipartisan manner. This is why I wholeheartedly agree and wanted to be an original cosponsor of this legislation.

Madam Chairman, one of the new requirements of this bill is that all mortgage originators must be licensed to serve the public. The purpose of this requirement is to have a depository of all mortgage originators and hopefully eliminate from the system those loan originators that take advantage of borrowers. I know in my district this has been a real problem. Along with the fingerprinting and the pulling of a credit report, mortgage originators must also participate in 20 hours of education in a program approved by the Nationwide Mortgage Licensing System and Registry which is to be developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators.

Madam Chairman, I am very supportive of this aspect of the legislation. But I am concerned that it leaves open an opportunity for a conflict of interest. The conflict would take place if

the Nationwide Mortgage Licensing System were to decide to offer the education requirement themselves.

Currently, 34 States have mortgage education requirements for loan originators licensed in those respective States. This training is conducted by many small business providers who are approved to offer mortgage education by each State's regulating bodies. My amendment is quite simple. It does the following:

A, to maintain the independence of the approval process, the Nationwide Mortgage Licensing System and Registry shall not directly or indirectly offer educational courses for prelicensure or continuing education for mortgage originators.

□ 1600

And, B, in approving courses under this act, the Nationwide Mortgage Licensing Systems and Registry shall apply reasonable standards in the review and approval of courses.

Mr. Chairman, to make it simple, I used to be a judge. A judge cannot preside over a case in which he is the litigant. This amendment has been discussed with the Conference of State Bank Supervisors, and they do not object. I think it is a simple amendment.

I reserve the balance of my time.

Mr. BACHUS. Mr. Chairman, I claim the time in opposition although I am not opposed to the amendment.

The Acting CHAIRMAN (Mr. HOLDEN). Without objection, the gentleman from Alabama is recognized for 5 minutes.

There was no objection.

Mr. BACHUS. I want to compliment the gentleman from New York (Mr. MEEKS) for offering this amendment. I know it clarifies the role of the Conference of State Bank Supervisors and the approval process for State license mortgage practitioners and originators. I compliment the gentleman. I know that the Conference has worked with the industry in crafting this amendment. I urge support for it.

Mr. MEEKS of New York. Thank you, Mr. BACHUS.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. MEEKS).

The amendment was agreed to.

AMENDMENT NO. 11 OFFERED BY MS. GINNY BROWN-WAITE OF FLORIDA

The Acting CHAIRMAN. It is now in order to consider amendment No. 11 printed in House Report 110–450.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Ms. GINNY BROWN-WAITE of Florida:

Page 54, line 14, strike ''and''.

Page 54, line 16, strike the period and insert ''; and''.

Page 54, after line 16, insert the following new clause:

''(iv) a mortgage insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.).''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Florida.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, it is no secret that Americans are facing a growing crisis in the subprime housing market. Subprime mortgage foreclosures have spiked and crashed for the last 6 years. Rates have ranged as high as 9.25 in 2002 for foreclosures and as low as roughly 3 percent in mid 2005. In the first quarter of this year, they crept back up again to 5 percent.

However, foreclosure rates among loans the Federal Housing Administration insures have stayed somewhat consistent throughout that time. Since there has been less than 1 percent fluctuation in these foreclosure rates since 2001, I think it is very imperative that we have this amendment adopted.

This amendment excludes loans insured by FHA from the provisions of this bill. The language is actually very similar to an amendment that I offered and that was accepted in the Financial Services Committee, one that exempted VA loans.

Mr. Chairman, the provisions in this bill will help Americans in the pursuit of owning their own home, many believe, but there are still millions of Americans who without FHA probably would not have had this opportunity. But if VA and FHA are already writing loans that are clearly good for their customers, Congress should leave them alone and let them carry on with their business. Obviously, it is working, and as the old axiom goes, if it's not broke, don't fix it.

Therefore, I urge Members to support my amendment that exempts FHA-insured loans from the provisions of this bill.

I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I claim the time that is set aside for someone in opposition since no one is.

The Acting CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. FRANK of Massachusetts. I appreciate the gentlewoman coming forward. She has on this and other occasions played a very constructive role in helping us work things out. We have already done this for the Veterans Administration, Department of Veterans Affairs. Yes, in fact, it is our hope to get more people into the FHA program as an alternative to subprime. One of the things we've done, and the Senate is now doing it, is to extend the FHA's reach to people with subprime; although I do want to remind my friends in the Senate, I feel very strongly that when we do that, it would be terrible social policy to make people with weaker credit who are faithfully making their payments pay more than other people, and we will deal with that as we work out the two bills.

But for purposes of this bill, the gentlewoman is absolutely correct. So I intend to support her amendment.

And that leaves me with some extra time, so I would now yield 2 minutes to the gentleman from California, a member of the committee.

(Mr. BACA asked and was given permission to revise and extend his remarks.)

Mr. BACA. Mr. Chairman, I stand in support of this amendment and also rise in support of H.R. 3515. I want to thank Chairman FRANK for his leadership.

The headline from yesterday's San Bernardino Sun, my local paper, read ''Area Number 3 in Nation in Foreclosures.''

Right now, one in 43 houses in San Bernardino and Riverside Counties are undergoing foreclosure. Our families are being torn apart by this crisis. The American Dream of homeownership has become a nightmare for them.

I had a town hall meeting in my district on foreclosures last weekend. I am glad that I did because we were able to assist a lot of families. These families are scared and need help. They feel hopeless, unless Congress addresses this issue.

Our families said that the teaser rate was resetting to a payment that was more than half of their income. Another said they had to take a second job just to afford the new payments after the rates were adjusted. It was clear that these families were steered into loans that they could not afford.

On the other hand, other constituents told me that the interest rate they received on the loans was higher than what they were told that they would receive. Too many consumers are victims of this type of predatory bait-and-switch practice.

This bill includes an amendment which I offered which requires additional disclosures to provide consumers information before signing. This will help put an end to the abusive practice and ensure that consumers have accurate information about the cost of their loan so that they know what they are buying.

H.R. 3915 will help put an end to predatory lending once and for all. And it prohibits prepayment penalties, outlaws discriminatory steering practices and bans yield spread premiums. It also includes stronger underwriting standards to help stop predatory lenders in their tracks.

I ask my colleagues to support H.R. 3915 and support this amendment.

[From the Sun, Nov. 13, 2007]

AREA NO. 3 IN NATION IN FORECLOSURES

(By Matt Wrye)

If you know 43 homeowners in the area there's a fair chance one of them just lost their house to foreclosure.

In a report to be released today Wednesday, Realty Trac, a real-estate service, said there is one foreclosure for every 43 households in San Bernardino and Riverside counties, according to third-quarter 2007 data.

That puts the region at No. 3 nationwide for home foreclosures. Stockton was at the top of the list, followed by Detroit.

The two-county area saw more than 31,661 foreclosure filings on 20,664 between 20,664 properties between July and September.

That number will drop steadily, but higher-than-normal foreclosure rates will continue until 2009 or 2010, said Jack Kyser, chief economist for the Los Angeles County Economic Development Corp.

''It's catching up to us,'' he said about the subprime mortgage fallout. ''Unfortunately, the trend will continue. It's going to be slowing down, but people forget the size of the Riverside-San Bernardino area.''

John Husing, a regional economist based in Redlands, agrees with Kyser.

''There's no question that you have a disproportionately large number of foreclosures and you'll be continuing to have that in the Inland Empire versus other places in the country and Southern California,'' Husing said. ''The trend is going to continue for at least the next year to year and a half because of mortgages that were reset back in 2005 and 2006.''

The top 10 was rounded out by Fort Lauderdale, Fla.; Las Vegas; Sacramento; Cleveland; Miami; Bakersfield and Oakland.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield my remaining time to the gentleman from Oregon.

The Acting CHAIRMAN. The gentleman from Oregon is recognized for 2 minutes.

Mr. BLUMENAUER. I appreciate the gentleman's courtesy, as I appreciate watching the legislative process work here. Too seldom in the last 12 years have we watched this unfold in the way that it has, and I congratulate Mr. FRANK, Mr. WATT, Mr. MILLER, the Ranking Member BACHUS, this is how the legislative process should work.

I will tell you, this is not a Sarbanes-Oxley moment, where Congress stalled and stalled and stalled until the problems got so great they exploded. Then Congress rushed to act; actually didn't know in many instances what people were voting on.

This bill has been a deliberate process. It has not been rushed. It has been bipartisan. And I must say that I feel better than at any point in the last 4 or 5 years, as I have been alarmed as Congress has been missing in action on this issue where the regulatory structures have looked the other way.

The big question for me, though, is where we go from here. I am pleased in the Ways and Means Committee we have been able to make some tax adjustments so that people will not be taxed on phantom ''profits'' if they end up having a loan foreclosed upon.

I am eager to find out if the gentleman, Mr. MILLER from North Carolina, can move forward dealing with fundamental bankruptcy reform so that people who are homeowners get the same protection that would be given to a speculator in an identical home in a subdivision or identical units in a condominium tower. This is extremely critical.

We are talking now not just about the hundreds of thousands of people that will be affected by this legislation. Ultimately, there will be ripple effects throughout the economy, a shaken industry, and millions of innocent homeowners who are going to have their property values drop because regulators were asleep at the switch, because Congress was missing in action, and because abusive practices took place.

H.R. 3915 is a good start. I commend the committee and look forward to working with you as it works its way through for the refinement of this legislation and the next step.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I certainly appreciate the fact that the gentleman from Massachusetts (Mr. FRANK), the chairman of the Financial Services Committee, has worked with me both on the VA and the FHA loan exemption. I think it is the right thing to do, and I would urge my colleagues to support this amendment.

I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MR. GARRETT OF NEW JERSEY

The Acting CHAIRMAN. It is now in order to consider amendment No. 12 printed in House Report 110–450.

Mr. GARRETT of New Jersey. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. GARRETT of New Jersey:

Page 52, strike line 9 and all that follows through line 15 (and redesignate subsequent paragraphs accordingly).

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from New Jersey (Mr. GARRETT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Before I begin, let me just recognize and appreciate the work by the ranking member of the committee with regard to this overall underlying piece of legislation for his work to try to improve the legislation. I believe his actions have been done in view of his constituents and their concerns with the primary lending market as we see it today.

Getting to the amendment that is before us, Mr. Chairman, the amendment would simply strike the rebuttable presumption paragraph under section 203 of the manager's amendment text. As currently drafted, section 203 of the bill specifically lists several criteria that lenders must meet when they originate a loan and that loan to be considered a qualified safe harbor mortgage. Qualified safe harbor mortgages are loans that: one, document consumer income; two, an underwriting process based on fully indexed rate; three, a debt-to-income ratio not greater than 50 percent; four, no negative amortization; and five, six payments for at least 7 years an adjustable rate loan with an APR that varies less than 3 percent over indexed rate.

Now after meeting this prescriptive list of requirements, the loan can be considered a qualified safe harbor mortgage. It is presumed that the mortgage is an appropriate loan. However, section 203 also contains a provision that, even when all these provisions are met, would allow a borrower to rebut this presumption in a court of law and claim that the creditor has made a loan to them in bad faith anyway.

You see, by allowing lenders to still be held legally liable for a loan even after all these conditions have been met, we are creating even more uncertainty for loan originators. This will in turn lead to further tightening of the credit market and keep more people from getting loans.

Mr. Chairman, if a creditor goes through all these requirements as listed, I do not believe that they should still have to worry about being held legally liable if the borrower cannot make their payments. Such a provision undermines the very nature of a safe harbor vision. It undermines the presumption of good faith that the law itself establishes. How can we on one hand tell the lender that they are providing them with a safe harbor from suit and then turn right around and say that safe harbor can be rebutted? I am afraid this will, at the very least, raise the cost of loans, at the worst, keep the loans from being made at all.

Mr. Chairman, I ask you to help the providers, lenders make some sense of the legal clarity and to make this a safe harbor, a true safe harbor. I would ask every Member to support this important amendment.

I reserve the balance of my time.

Mr. WATT. Mr. Chairman, I claim time in opposition to the amendment.

The Acting CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes.

Mr. WATT. Mr. Chairman, once again, Mr. GARRETT has focused on an issue that we talked about earlier in the debate. I offered an amendment and withdrew it, and it related to this general section. Basically, what we have done is allowed the lenders to presume, if they meet certain conditions, that their loan will be considered a safe harbor loan and go into the secondary market without any complications.

In certain kinds of loans, we have made that presumption rebuttable because there is still tremendous opportunity for abuse even if they meet all of the safe harbor requirements. In other instances, we have made the presumption irrebuttable, and it was on the irrebuttable part of that that I offered the amendment and withdrew it. This is on the rebuttable part.

Now, the problem with Mr. GARRETT's amendment is that if you take out this rebuttable presumption, then the presumption becomes irrebuttable for all kinds of loans, those that have risks, and those that don't have risks.

□ 1615

So what does that mean to the average lay person when you create a rebuttable or irrebuttable presumption? An irrebuttable presumption makes it impossible for you ever to rebut it. Because it is irrebuttable, you can't even raise it anymore. A rebuttable presumption makes it possible, even though it is presumed, that you can still go and offer evidence that what is generally a fair loan turned out to be, in your particular case, an unfair loan.

So the effect of Mr. GARRETT's amendment would be to make it impossible ever for anybody to get into court and contest any of these loans. Because if you take out the rebuttable presumption, it becomes an irrebuttable presumption. We don't want that. I mean, that is where the marketplace is now. It is out of control. It has been out of control.

While we are setting up a construct to make the market better, we don't want to pass a law that then sanctions going right back to where we are now. That is how we got here in the first place, the market was out of control. And the construct that we have set up allows people to buy mortgages in the secondary market and presume that they will be okay.

But we don't want to set up a situation where it is impossible for anybody to go into the secondary market or against anybody and say under no circumstances will you be able to get liability. That is what Mr. GARRETT would have you do. I think it would be very, very, very bad public policy.

With that, I encourage opposition.

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

Mr. GARRETT of New Jersey. Mr. Chairman, the gentleman misstates the case when he says you can never get into court. You can get into court when these five different criteria are not met. But when these five criteria are met, you have a safe harbor. That is the language of the bill. What is a safe harbor for, if not for giving protection to those who are meeting the requirements.

With that, I yield such time as he may consume to the gentleman from Louisiana (Mr. BAKER).

Mr. BAKER. I thank the gentleman for his courtesy. I shall try to be brief. I had hoped at the outset the bill would present a uniform national standard so all those engaged in this practice would have legal certainty as to the behavior that complies with the law, no matter where one might extend credit. Unfortunately, that is not the case in the underlying bill.

I had hoped more clarity in the provisions of enforceability. I am troubled by some of the unclear language, the way in which some descriptive phrases have been used, as in, for example, the anti-steering provision, which states that loan products which have predatory characteristics, one cannot be sure what constitutes a predatory characteristic. Third, in contract resolution, we had hoped that we would at least avail ourselves of mandatory arbitration, which is a common business practice to resolve differences without the court being involved. Unfortunately, the bill in its current form prohibits mandatory arbitration, which leads us then to the gentleman's very well-thought-out amendment relative to the safe harbor provision.

At least we should have the statement that if you engage in lending practices of a certain type, that there will be legal certainty you will not be sued at some future point for engaging in the honorable profession of extending credit to people trying to buy homes.

On that point, let me quickly add that 95 percent or more of the people engaged in this practice are honorable people, doing a public service, extending credit to people who pay their obligations on time. It is a mischaracterization on this floor to represent that all people engaged in the business of extending credit for this honorable purpose are up to no good. In fact, when foreclosures occur, it actually costs the industry business.

This is not a helpful environment. We would be legislating with certainty, and the bill in the underlying form does not provide that. The gentleman's amendment is excellent, well-constructed. I hope the House will favorably consider it.

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

Mr. FRANK of Massachusetts. Will the gentleman yield to me?

Mr. WATT. I yield to the chairman.

Mr. FRANK of Massachusetts. As I said to my friend from Louisiana, I know everybody can't hear everything. He defends against an accusation that was not made when he said, Don't say they are all up to no good. Several of us on this side have explicitly said that we believe the majority are well-intentioned. The problem, I think, is that where there are people who are not well-intentioned, there are no rules to stop them. But we did on several occasions quite say the opposite of what the gentleman said we shouldn't have said.

Mr. WATT. I would just add to that, on the floor today time after time after time, I have said that the great, great, great majority of the lenders are abiding by the rules. It's not those lenders who created this crisis. It is those people who are operating outside the rules, and that is what we are trying to put a construct around that is workable to protect those who abide by the rules of the road without shielding those who will abuse the process. This amendment would allow that to happen.

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

Mr. GARRETT of New Jersey. Mr. Chairman, I would like to point out that this amendment is supported by the Mortgage Bankers Association, the American Financial Services Association, and Financial Services Roundtable. I believe they do that because they realize when a bill sets up the language of presumption of ability to repay and net tangible benefits, as it has done on line 1, page 52, and then defines that as a safe harbor, with the one hand, but then immediately takes it away with the other hand by saying that you can still go into court after the lender has met all the requirements as we defined as what is an ability to repay and tangible benefits, we are creating more uncertainty in the market, as the gentleman from Louisiana indicated, one that will hurt the overall economy and the ability to secure loans.

I ask for a ''yes'' vote on this amendment.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. GARRETT).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. GARRETT of New Jersey. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Jersey will be postponed.

AMENDMENT NO. 13 OFFERED BY MR. FRANK OF MASSACHUSETTS

The Acting CHAIRMAN. It is now in order to consider amendment No. 13 printed in House Report 110–450.

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. Is the gentleman the designee of the gentleman from North Carolina?

Mr. FRANK of Massachusetts. Yes, I am.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. FRANK of Massachusetts:

Page 64, line 12, strike the closing quotation marks and the second period.

Page 64, after line 12, insert the following new paragraphs:

''(10) PATTERN OR PRACTICE OF VIOLATIONS.—

''(A) IN GENERAL.—In addition to any money penalty that may be imposed by any agency referred to in subsection (a) or (c) of section 108 under any provision of law referred to in such section in connection with such agency or any other enforcement action taken by such agency under such section, any creditor, assignee, or securitizer which engages in a pattern or practice of originating, assigning, or securitizing residential mortgage loans that violate subsection (a) or (b) shall forfeit and pay a civil penalty of—

''(i) not less than $25,000 for each such loan; and

''(ii) $1,000,000 for engaging in such pattern or practice.

''(B) INFORMATION.—Any person may submit information to any agency referred to in

subparagraph (A) regarding any pattern or practice of violating subsection (a) or (b) and such agency shall promptly bring such complaint to the attention of any other such agency which may have jurisdiction over any person involved in the alleged violation.

''(11) TRUST FUND FOR CONSUMERS WITHOUT REMEDY.—

''(A) IN GENERAL.—Any civil money penalty collected under paragraph (10) shall be transferred to the Secretary of the Treasury to be held in trust in the Consumers Rescission and Cure Remedial Fund for the benefit of borrowers with residential mortgage loans that were originated in violation of subsection (a) or (b) for which the consumers are eligible for rescission or cure but have no party against whom to assert such remedies.

''(B) REGULATIONS.—The Secretary of the Treasury shall prescribe regulations establishing—

''(i) a claims process for consumers described in subparagraph (A) to file claims against the Consumers Rescission and Cure Remedial Fund for rescission or cure of a residential mortgage loan that was originated in violation of subsection (a) or (b);

''(ii) a procedure for administrative determination of claims, and the allowance or disallowance of any such claim, and a review of such determination; and

''(iii) a process for payment of any claim allowed against the Fund to effectuate a rescission or cure as part of a final settlement entered into by the consumer with the Secretary with respect to such claim.

''(C) FINALITY.—Any determination by the Secretary under this paragraph shall be final and not subject to judicial review.''.

The ACTING Chairman. Pursuant to House Resolution 825, the gentleman from Massachusetts (Mr. FRANK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I offer this amendment, but I do not intend to push it today. I will be withdrawing it with the consent of the body. I was not as careful as I should have been in supervising or making clear my intentions in what I wanted. I do believe one of the two most controversial items in this is preemption. Very few people think we have done preemption just right. Fortunately, a lot of us are here. A lot of other people think we have done too much or too little.

The question of preemption is really twofold: one, should you preempt; and, secondly, having preempted, having prevented the State from acting, have you put sufficient rules in there to defer bad behavior. I think we probably didn't, as I read this over. That is, I think we have preempted, as we have clarified it, the right amount: not too much and not too little. But we have not put into the preemption enough in terms of deterrence.

We do have the policies and procedures in the safe harbor exemption. But what I think we should have and what this amendment was meant to embody is the ability of aggrieved parties or representatives, Attorneys General of the States, others, to go to the regulator of the entity in question and say, Look, there's been this pattern of abuse. When we have a pattern of abuse, you act.

We did not want to make the liability for any one violation too heavy. We didn't want to overkill. But we then would run into the problem the gentleman from North Carolina talked about, where violations at a moderate level of penalty could be simply a cost of doing business. So having a pattern and practice approach in here prevents people from treating a moderate penalty from simply being a cost of doing business.

It was drafted more than I had intended. That is my fault. I should have been paying more attention. I do not think originators ought to be covered in this, certainly not with a $1 million limitation.

So for that reason I am going to offer this and say that I hope to withdraw it now and work on it further.

I would yield to my friend from Colorado who is one of those who brought some of the problems here to my attention.

Mr. PERLMUTTER. Mr. Chairman, I thank the chairman for yielding to me, and I thank the chairman for being willing to work on this particular amendment to zero in on the major players who, in a repeated fashion, time after time, show by pattern and practice an abuse of this predatory lending policy.

I do want to reiterate something that Mr. BLUMENAUER said. I want to congratulate the ranking member and Mrs. BIGGERT and Mrs. CAPITO and a number of the others on the Republican side of the aisle, along with the sponsors of this bill, for working and refining and developing a bill that will deal with the problems that we have seen of predatory lending and subprime loans that have hurt a lot of the people in this country and our financial system.

I also intend to work with the chairman on the eviction piece, the rental piece of this, so we don't harm the single-family, owner-occupied system of FHA and VA-type loans.

Mr. FRANK of Massachusetts. Let me take back my time. The gentleman raised that issue.

The gentleman from Texas (Mr. MARCHANT) raised an issue on renter protection. So you cannot be the homeowner being foreclosed upon and then get the rights of a tenant. The gentleman from Colorado had a further point, which is in those cases where there was a very specific prohibition in the loan against rental, that should not be overcome by what we do.

I would yield the remainder of my time to the gentleman from North Carolina.

The Acting CHAIRMAN. The gentleman from North Carolina is recognized for 2 minutes.

Mr. MILLER of North Carolina. Mr. Chairman, one of my concerns about this bill is the weakness, the inadequacy of the remedies available to the consumer. I have said that earlier today in the debate on this bill that I am very concerned that if industry is looking at one consumer in 50, or one in 100, or one in 200 who has actually been the victim of illegal practices, brings a claim for very modest remedies, many industries or some in industry may simply view that as a minor cost of doing business, a minor nuisance, and just keep doing what they are doing.

This amendment, while I agree it does need to be tinkered with some, would raise the stakes substantially. It does provide a more substantial penalty, $1 million plus $25,000 for each loan. That actually is not that much. Ameriquest, one of the biggest subprime lenders, paid $425 million in a settlement and just kept doing it. Just kept going. It was the cost of doing business. And their CEO is now the ambassador to one of those small, pleasant countries in Europe that big campaign contributors get appointed to be ambassadors to. It hasn't affected them in the slightest.

This amendment would call the attention of the regulatory agencies, the SEC to pay attention to the securitizers, the Goldman Sachses of the world, the big banks; Bank of America would have to answer to the OCC, their regulatory body, and on and on. Mr. Chairman, those industry groups do not want the attention of their regulator that way. They do not want to be under that kind of scrutiny; they do not want to pay those penalties. And this would substantially raise the stakes for them and encourage them to abide by the law.

Mr. FRANK of Massachusetts. Let me take back the time. The gentleman has underlined an important point. We are going to see this back again in somewhat buffed-up form. It goes to the regulators, so this isn't going to lead to court. It is not an explosion of litigation. It would allow a range of people to bring it, including State Attorneys General, but it would be brought to the regulator, someone familiar with that business model and an entity able to discriminate between good and bad practices.

I ask unanimous consent to withdraw the amendment.

The Acting CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 14 OFFERED BY MR. AL GREEN OF TEXAS

The Acting CHAIRMAN. It is now in order to consider amendment No. 14 printed in House Report 110–450.

Mr. AL GREEN of Texas. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. AL GREEN of Texas:

Page 15, line 7, insert ''which shall include instruction on fraud, consumer protection and fair lending issues'' before the period.

Page 16, line 6, strike ''and'' after the semicolon.

Page 16, line 8, strike the period and insert ''; and''.

Page 16, after line 8, insert the following new clause:

(iv) Federal and State law and regulation, including instruction on fraud, consumer protection, and fair lending issues.

Page 17, line 20, insert ", including education on fraud, consumer protection, and fair lending issues.".

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Texas (Mr. AL GREEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. AL GREEN of Texas. Mr. Chairman, I also would like to thank the chairman of the full committee, Chairman FRANK, Ranking Member BACHUS, the subcommittee Chair and ranking member as well.

Mr. Chairman, this is a very simple and straightforward amendment. This amendment deals with minimum standards for mortgage originators, and it requires that mortgage originators receive a certain amount of training.

□ 1630

The bill itself right now requires at least 20 hours of education, of which at least 3 hours of Federal law shall be included in the regulations as well, along with 3 hours of ethics. What this amendment does is include in the ethics training instructions on fraud, consumer protection and fair lending issues. It is very straightforward. It is not complicated.

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

Mr. BACHUS. Mr. Chairman, I claim the time in opposition, although I am not opposed to the amendment.

The Acting CHAIRMAN. Without objection, the gentleman from Alabama is recognized for 5 minutes.

There was no objection.

Mr. BACHUS. Mr. Chairman, I compliment the author, Mr. GREEN, for this amendment. I would anticipate and hope that with the passage of this amendment that mortgage originators would receive instructions on these subjects. So I very much am in support of the amendment.

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

Mr. AL GREEN of Texas. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I thank Congressman GREEN and express gratitude to Chairman FRANK, Ranking Member BACHUS, Subcommittee Chair Watt and Congressman MILLER for their extraordinary efforts to restore confidence in our Nation's housing markets and address the housing mortgage crisis facing our Nation, this crisis has been felt no more harshly than in the State of Ohio, one of the hardest hit States in our Union, where our foreclosure filing rates have gone up 300 percent since just last year, thousands upon thousands of Ohioans having for sale and foreclosure signs in front of their homes. In Ohio, $20 billion and growing is the gap, the financing gap.

I rise in support of the gentleman's amendment, but want to clarify that under the bill, any legal case that has been filed can proceed forward, indeed until the regulations for implementation of the bill are completed after it is signed by the President. States are not limited in their ability to prosecute in cases of fraud, collusion, misrepresentation, deception, false advertising or civil rights. Importantly, any mortgage made in the future will have to assure the borrower's ability to repay and that the borrower be yielded a net tangible benefit.

As this bill moves forward, I believe it can be perfected even more to restore confidence, discipline and provide accountability in our troubled, very troubled, housing markets, which are helping to drive our Nation into recession.

I just want to say to Chairman FRANK, you are the right man in the right place at the right time. I just hope that the other body and the President of the United States follow your leadership on this really critical issue, take it not just to Ohio, but to our country.

STOCKTON, DETROIT, RIVERSIDE-SAN BERNARDINO POST TOP METRO FORECLOSURE RATES IN Q3

(By RealtyTrac Staff)

IRVINE, Calif.—Nov. 14, 2007—RealtyTrac® (realtytrac.com), the leading online marketplace for foreclosure properties, today released its Q3 2007 Metropolitan Foreclosure Market Report, which shows Stockton, Calif., Detroit and Riverside-San Bernardino, Calif., documented the three highest foreclosure rates among the nation's 100 largest metropolitan areas during the third quarter.

RealtyTrac publishes the largest and most comprehensive national database of foreclosure and bank-owned properties, with over 1 million properties from nearly 2,500 counties across the country, and is the foreclosure data provider to MSN Real Estate, Yahoo! Real Estate and The Wall Street Journal's Real Estate Journal.

"Although cities in just three states—California, Ohio and Florida—accounted for more than two-thirds of the top 25 metro foreclosure rates, increasing foreclosure activity was not limited to just a few hot spots," said James J. Saccacio, chief executive officer of RealtyTrac. "In fact, 77 out of the top 100 metro areas reported more foreclosure filings in the third quarter than they had in the previous quarter. Still, there continue to be pockets of the country—most noticeably metro areas in the Carolinas, Virginia and Texas—that have thus far dodged the foreclosure bullet."

CALIFORNIA, OHIO, FLORIDA CITIES DOMINATE TOP METRO FORECLOSURE RATES

Stockton, Calif., documented one foreclosure filing for every 31 households during the quarter, the highest foreclosure rate along the nation's 100 largest metro areas. A total of 7,116 foreclosure filings on 4,409 properties were reported in the metro area during the quarter, up more than 30 percent from the previous quarter.

Detroit's third-quarter foreclosure rate of one foreclosure filing for every 33 households ranked second highest among the nation's 100 largest metro areas. A total of 25,708 foreclosure filings on 16,079 properties were reported in the metro area during the quarter, more than twice the number of filings in the previous quarter.

The Riverside-San Bernardino, Calif., metropolitan area in Southern California documented the nation's third highest metro foreclosure rate, one foreclosure filing for every 43 households. A total of 31,661 foreclosure filings 20,664 properties were reported in the metro area during the quarter, up more than 30 percent from the previous month.

Other cities in the top 10 metro foreclosure rates: Fort Lauderdale, Fla.; Las Vegas; Sacramento, Calif.; Cleveland; Miami; Bakersfield, Calif.; and Oakland, Calif. California cities accounted for seven of the top 25 metro foreclosure rates, while Florida and Ohio each accounted for five of the top 25 spots.

RIVERSIDE-SAN BERNARDINO, LOS ANGELES, DETROIT REPORT MOST FORECLOSURE FILINGS

The Riverside-San Bernardino metropolitan area reported the most foreclosure filings during the quarter, followed by Los Angeles, with 29,501 filings on 18,043 properties. The Los Angeles foreclosure rate of one foreclosure filing for every 113 households ranked No. 26 among the nation's 100 largest metro areas. Detroit reported the third highest number of foreclosure filings during the quarter.

Atlanta's foreclosure filing total of 21,695 on 18,940 properties was the fourth highest foreclosure filing total, and the metro area's foreclosure rate of one foreclosure filing for every 92 households ranked No. 18 among the top 100 metro areas.

Other cities with foreclosure filing totals among the 10 highest were Phoenix, Fort Lauderdale, Fla., Cleveland, Chicago, Miami and Sacramento, Calif.

REPORT METHODOLOGY

The RealtyTrac Metro Foreclosure Market Report provides the total number of foreclosure filings by metropolitan area, along with the number of households per foreclosure filing. The household numbers are based on the U.S. Census Bureau's 2005 estimates of total housing units.

Beginning with the Midyear 2007 report, the report also includes counts of properties with at least one foreclosure filing reported against them. This new metric only counts a property once, even if there were multiple foreclosure actions filed against the property during the time period covered by the report.

FORECLOSURE ACTIVITY FOR THE NATION'S 100 LARGEST MSAS—Q3 2007

Rate rank		Foreclosure filings: Total filings
1.	Stockton, CA	7,116
2.	Detroit/Livonia/Dearborn, MI	25,708
3.	Riverside/San Bernardino, CA	31,661
4.	Fort Lauderdale, FL	16,595
5.	Las Vegas/Paradise, NV	14,948
6.	Sacramento, CA	15,479
7.	Cleveland/Lorain/Elyria/Mentor, OH	16,332
8.	Miami, FL	15,484
9.	Bakersfield, CA	3,947
10.	Oakland, CA	13,245
11.	Akron, OH	3,992
12.	Denver/Aurora, CO	13,179
13.	Fresno, CA	3,687
14.	Memphis, TN	6,239
15.	Phoenix/Mesa, AZ	18,328
16.	San Diego, CA	12,274
17.	Dayton, OH	4,147
18.	Atlanta/Sandy Springs/Marietta, GA	21,695
19.	Tampa/St. Petersburgh/Clearwater, FL	13,562
20.	Toledo, OH	3,119
21.	Palm Beach, FL	6,387
22.	Dallas, TX	14,717
23.	Columbus, OH	7,265
24.	Indianapolis, IN	6,604
25.	Sarasota/Bradenton/Venice, FL	3,308
26.	Los Angeles/Long Beach, CA	29,501
27.	Orlando, FL	7,189
28.	Warren/Farmington Hills/Troy, MI	9,025
29.	Fort Worth/Arlington, TX	6,328

FORECLOSURE ACTIVITY FOR THE NATION'S 100 LARGEST MSAS—Q3 2007—Continued

Rate rank		Foreclosure filings
		Total filings
30.	Cincinnati, OH	6,144
31.	Orange, CA	6,899
32.	Worchester, MA	2,069
33.	Jacksonville, FL	3,501
34.	Tucson, AZ	2,514
35.	San Antonio, TX	4,300
36.	Houston/Baytown/Sugarland, TX	11,960
37.	Springfield, MA	1,637
38.	Washington/Arlington/Alexandria, DC–VA–MD	9,099
39.	Essex, MA	1,605
40.	Newhaven/Milford, CT	1,850
41.	Chicago, IL	16,314
42.	Ventura, CA	1,400
43.	San Jose/Sunnyvale/Santa Clara, CA	3,245
44.	Austin/Round Rock, TX	3,063
45.	Gary, IN	1,408
46.	Charlotte/Gastonia, NC	3,148
47.	Newark, NJ	3,970
48.	Boston/Quincy, MA	3,386
49.	Tacoma, WA	1,369
50.	Lake/Kenosha, IL–WI	1,110
51.	Milwaukee/Waukesha/West Allis, WI	2,870
52.	Camden, NJ	1,225
53.	Little Rock/North Little Rock, AR	1,250
54.	Kansas City, MO–KS	3,659
55.	Edison, NJ	3,787
56.	St Louis, MO–IL	4,820
57.	Cambridge/Newton/Framingham, MA	2,278
58.	Tulsa, OK	1,497
59.	Nashville/Davidson, TN	2,224
60.	Scranton/Wilkes-Barre/Hazleton, PA	898
61.	Hartford, CT	1,674
62.	Bridgeport/Stamford/Norwalk, CT	1,171
63.	Salt Lake City, UT	1,253
64.	Oklahoma City, OK	1,639
65.	Baltimore/Towson, MD	3,516
66.	Louisville, KY–IN	1,696
67.	Raleigh/Cary, NC	1,242
68.	Bethesda/Frederick/Gaithersburg, MD	1,362
69.	Minneapolis/St Paul/Bloomington, MN–WI	3,699
70.	Philadelphia, PA	4,456
71.	Omaha/Council Bluffs, NE–IA	846
72.	Knoxville, TN	701
73.	Suffolk/Nassau, NY	2,321
74.	Pittsburgh, PA	2,548
75.	Seattle/Bellevue/Everett, WA	2,318
76.	El Paso, TX	527
77.	New York/Wayne/White Plains, NY–NJ	9,240
78.	New Orleans, LA	1,212
79.	Wilmington, DE–NJ	543
80.	Buffalo/Cheektowaga/Tonawanda, NY	960
81.	Poughkeepsie/Newburgh/Middletown, NY	446
82.	Providence/New Bedford, RI	816
83.	Portland/Vancouver/Beaverton, OR–WA	1,474
84.	Rochester, NY	695
85.	Wichita, KS	343
86.	Greensboro/Highpoint, NC	405
87.	San Francisco, CA	940
88.	Albany/Schenectady/Troy, NY	449
89.	Albuquerque, NM	387
90.	Birmingham/Hoover, AL	451
91.	Norfolk/Virginia Beach/Newport News, VA	580
92.	Charleston, SC	254
93.	Columbia, SC	279
94.	Richmond, VA	448
95.	Syracuse, NY	249
96.	Allentown/Bethlehem/Easton, PA	204
97.	Honolulu, HI	197
98.	Baton Rouge, LA	147
99.	McAllen/Edinburg/Pharr, TX	106
100.	Greenville, SC	79

Mr. AL GREEN of Texas. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. MILLER).

Mr. MILLER of North Carolina. Mr. Chairman, I simply want to correct something I said earlier today. Earlier today I said the Mortgage Bankers Association was opposed to this bill. That is not correct. They do not support the bill. In a letter dated today, they outlined four areas of major concern with the bill, but they did not oppose the bill. They did not support the bill, but they did not oppose it. So what I said earlier today, it was incorrect.

Mr. AL GREEN of Texas. Mr. Chairman, I would like to yield 1 minute to Mrs. STEPHANIE TUBBS JONES, please.

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Chairman, there is a God. For the past 8 years I have introduced legislation called the Predatory Lending Reduction Act, saying to the community and the world that there is a problem happening out here. And here we are in 2007, some 8 years later, and there is a wake-up call going on.

Across the country, people are having problems with their mortgages and communities are losing tax underwriting as a result thereof. I am pleased that H.R. 3915 incorporates language from the Predatory Lending Reduction Act that I introduced 8 years ago and that it requires a licensing and registration for mortgage brokers.

We all know that all subprime lenders are not predatory lenders, but we also know that all predatory lenders are subprime lenders, and we have to get on top of this.

Thank God we are saving the people of America.

Mr. AL GREEN of Texas. Mr. Chairman, I would simply close by indicating I am very pleased to see the bipartisan effort that has been generated by this bill. This is a good bill, and I ask all of my colleagues to please support it.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. AL GREEN).

The amendment was agreed to.

AMENDMENT NO. 15 OFFERED BY MR. MCHENRY

The Acting CHAIRMAN. It is now in order to consider amendment No. 15 printed in House Report 110–450.

Mr. MCHENRY. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. MCHENRY:

Page 80, strike line 1 and all that follows through page 102, line 26 (all of title III) (and redesignate the subsequent title and sections and conform the table of contents accordingly).

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from North Carolina (Mr. MCHENRY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina.

Mr. MCHENRY. Mr. Chairman, the amendment I offer today is really the crux of this debate that we are having here on the House floor on how to best take on the mortgage crisis that we are facing as a country.

This is a very substantive debate. I think it is a very legitimate debate for the House to have, about how we approach the mortgage marketplace and ensure that individuals, families, can still access credit so they can actually get a home for themselves and their children.

Now, the issue at hand is title III of the bill, the so-called North Carolina standard, put forward by my colleagues from North Carolina, Mr. WATT and Mr. MILLER. What, in essence, they do is make all subprime loans HOEPA loans. These are really high-cost loans, so-called innovative loans.

What this does is make all subprime loans HOEPA loans, and, as the Comptroller of the Currency said in a recent hearing before the Financial Services Committee, ''It is fair to say that in the past HOEPA loans were viewed as so extreme that few institutions provided HOEPA loans because it was such a rigorous and, what is the word, a scarlet letter of sorts that people wouldn't make the loans. So when you look at our home loan registry, for example, you don't find many HOEPA loans anymore.''

Well, there were 10 million mortgages let in 2006. Only 15,200 were HOEPA loans. A very small percentage.

In essence, what title III of this bill does is it, in essence, eliminates the subprime marketplace in America. What it does in North Carolina, it has curtailed refinancing and initial financing in the subprime marketplace. This is very harmful to individuals and families.

With that, I encourage my colleagues to vote for this amendment.

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

Mr. MILLER of North Carolina. Mr. Chairman, I claim the time in opposition.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MILLER of North Carolina. Mr. Chairman, title III hardly turns all subprime loans into HOEPA loans. HOEPA loans are very high-cost loans, loans with a very high interest rate. For first loans, it is 8 percent above the Treasury rate, which works out to about 13 percent. Or for subordinate loans, second or third mortgages, it is 10 percent above, which is more like a 15 percent interest rate.

In contrast, this legislation before us, the other provisions of the legislation, the other titles, treats the subprime loans as loans with an interest rate of about 8.5. So there is plenty of room between 8.5 or 13 or 15.

Mr. Chairman, it is simply not true that this legislation in North Carolina has created a problem with lending in North Carolina. We have heard it again and again in the Financial Services Committee for 4 or 5 years. We have heard repeatedly testimony by the North Carolina Commissioner of Banks, Joe Smith, who has said there is a ready availability of credit in the subprime market in North Carolina, and that it is no more expensive than it is anywhere else that he knows of.

We have heard from witnesses from industry who have said repeatedly they have been able to lend in North Carolina on the same terms and at the same rates as everywhere else, and they have been able to do so profitably.

There was a business school study at the University of North Carolina that said there has been no difference in the

availability or the cost of credit in the subprime market in North Carolina because of the protections of the North Carolina law. A Morgan Stanley survey of 280 subprime branch managers said there had been no reduction in subprime lending in North Carolina as a result of these consumer protections. And it just goes on.

In the time between 1998 before the North Carolina law was enacted and went into effect in 2003, there was a 366 percent growth in subprime lending in North Carolina. It is sort of hard to see from that that the North Carolina law killed off subprime lending.

What it did do is it protects consumers from equity stripping, from having huge chunks of their equity in their home, their life savings, taken from them at closing by outrageous upfront costs and fees, many of which were poorly disclosed.

This lowers the trigger for a HOEPA loan from 8 points at closing to 5 points at closing and closes some of the loopholes so that consumers, when they have to borrow money against their home, are not going to have their equity stripped, are not going to have their life savings, the equity in their home, taken from them.

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

Mr. MCHENRY. Mr. Chairman, let me quote Congressman MILLER from our recent subprime markup in Financial Services. ''Yes, there are fewer loans being made in North Carolina,'' is the reference. ''That is also an intended consequence of reform. This is the heart of the bill.''

The statistics for North Carolina, amongst subprime lenders there is a decline of 8.1 percent in the last 5 years. In comparison States, there was a growth of 1 percent of prime lending. In comparison States, loans by subprime lenders increased by 4.6 percent, and loans made in North Carolina decreased, subprime loans, by 8.1 percent. There is a significant disparity there.

Furthermore, in refinancing in subprime loans in North Carolina, there was a decline of 11.4 percent. In comparable States, there was an increase of 4 percent.

It shows that there are fewer loans being made and less availability of credit in North Carolina because of the so-called North Carolina standard.

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

Mr. MILLER of North Carolina. Mr. Chairman, I have the right to close, so I think I will wait until Mr. MCHENRY is done.

The Acting CHAIRMAN. The gentleman reserves the balance of his time.

Mr. MCHENRY. Mr. Chairman, I would inform my colleague I have the right to close.

Mr. MILLER of North Carolina. Only one of us is right.

The Acting CHAIRMAN. The gentleman from North Carolina (Mr. MILLER) has the right to close.

Mr. MCHENRY. Two additional points on my amendment here. It strikes title III, which bans rolling closing costs, points and fees into the financing of subprime mortgages, as well as eliminating prepayment penalties. So if someone currently has a prepayment penalty and they want to get out of this high-cost mortgage they currently have, and they seek to refinance their way into a more affordable mortgage, they would be prevented from rolling that prepayment penalty into the next loan.

So my contention is title III of this bill eliminates people's options and opportunities to refinance their way out of foreclosure and default.

So I would encourage my colleagues to vote for my amendment to strike I think the most egregious title within this bill.

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

Mr. MILLER of North Carolina. Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. MCHENRY. Mr. Chairman, I have a parliamentary inquiry.

The Acting CHAIRMAN. The gentleman will state it.

Mr. MCHENRY. Who has the right to close on an amendment? Is it those opposed to it or those who are offering the amendment?

The Acting CHAIRMAN. When the Member claiming time in opposition hails from the committee of jurisdiction, he has the right to close.

The gentleman from North Carolina has 1 minute remaining.

Mr. MCHENRY. Thank you, Mr. Chairman.

Let me tell you one story in North Carolina. Ben Ingle is a mortgage broker at NBI Mortgage in Shelby, North Carolina. Ben was able to secure a loan for a woman who was a victim of domestic violence and a victim of her ex-husband's bad credit. Her ex-husband ruined her credit. In this process, she got out of an abusive relationship and wanted to have a home for her son and herself, but she had a tough time because of her credit situation.

Well, Ben was able to work with her over an extended period of time. In fact, when it was all said and done, under this legislation before us today, Ben would have been only able to make $4.16 an hour for the work that he did for this lady to qualify her for a loan.

□ 1645

Now, she is very happy to be in a loan today and have a mortgage today and have a home for her son. But what this bill does is harm our communities and I think our mortgage brokers that are doing the right thing.

At the end of the day, mortgage originators are a part of our community. They are community leaders oftentimes, and what we are trying to do is battle unscrupulous actors and have good protections for homeownership in America.

Title III of this bill would prevent this young lady from having the option to get the lending she needed for a home. This is about homeownership. I urge Members to vote for my amendment and vote against the bill.

Mr. MILLER of North Carolina. Mr. Chairman, the woman from Shelby would be able to borrow under this bill, it just would be a highly regulated loan, only if she is paying more than 13 percent interest or paying more than 5 percent in closing costs, which is a lot in closing costs.

Mr. MCHENRY really got at what is wrong with predatory lending when he said that people need to be able to refinance to pay off the loans they are in now.

That is not the kind of mortgage system we want. We don't want people refinancing to pay off the loan they are in now and pay the prepayment penalties on this loan and pay points and fees for the next loan, and then 2 years later doing it all over again. We don't want people in a cycle of borrowing and borrowing again. We want people to get into loans that they can pay off. They can pay month after month, and at some point have a ceremony, a little party, that people in another generation had of burning the mortgage because it is paid off. So for the rest of their lives, they will own their home free and clear.

Predatory lending traps people in a cycle of borrowing and borrowing again. That is something that North Carolina law successfully dealt with. If there was some slight dip in overall loans, it is because people weren't caught in a cycle of borrowing to pay off the last mortgage and then having to borrow 2 years from now to pay off the mortgage they are entering today.

It ends flipping of loans to generate fees for everybody else in the system who is getting rich off the middle class, off the middle-class homeowners. The North Carolina law is working fine for North Carolina. It will work fine for the rest of us. It has been the model for most of the States that have had their own predatory lending legislation, consumer protection legislation in the last few years. Keep title III in this bill.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. MCHENRY).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. MCHENRY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from North Carolina will be postponed.

AMENDMENT NO. 17 OFFERED BY MR. VAN HOLLEN

The Acting CHAIRMAN. It is now in order to consider amendment No. 17 printed in House Report 110–450.

Mr. VAN HOLLEN. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. VAN HOLLEN:

Page 71, line 5, strike the closing quotation marks and the second period.

Page 71, after line 5, insert the following new subsection:

''(m) CLOSING COSTS.—In the case of a residential mortgage loan, any costs incurred in connection with the consummation of the loan may not exceed by more than 10 percent the estimate of the amount of such costs disclosed to the consumer in advance of the consummation of the loan.''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentleman from Maryland (Mr. VAN HOLLEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Maryland.

Mr. VAN HOLLEN. Mr. Chairman, let me begin by commending the chairman of the Financial Services Committee, Mr. FRANK, and the ranking member, Mr. BACHUS, for crafting a bill that is before us today to help protect homeowners across the country and to stop predatory lending.

The amendment I am proposing is designed to protect consumers from bait-and-switch schemes perpetrated by a small number of unscrupulous lenders who have learned to exploit flaws in the existing system. Under the existing law we have today, lenders are required to provide homeowners with a good-faith estimate of their settlement costs, the costs they will have when they settle on a transaction.

However, under current law there is absolutely no penalty for lenders who are widely off in providing those estimates. We have many cases where you have a few bad actors who lure consumers to borrow by low-balling their estimate of closing costs only to jack-up those costs when it comes to the last minute at the settlement table.

This amendment would address this problem by saying that in the case of residential mortgage loans, the amount of closing costs may not exceed by more than 10 percent any estimate of the closing cost provided to the consumer in advance of closing. By setting that kind of ceiling, we reduce the chance that borrowers will be blindsided by unexpected fees at closing.

The intent of this amendment is to protect consumers from negligent or fraudulent lenders and introduce greater confidence and certainty into the process.

Mr. Chairman, as currently drafted, I believe this amendment is too broad. We need to make sure we hold lenders accountable for estimates that are within their control, not those estimates that may be outside of their control. In a moment I am going to move to withdraw the amendment.

But before that, I would like to yield to the chairman of the committee.

Mr. FRANK of Massachusetts. I thank the gentleman from Maryland.

This is a very complicated subject. It involves a number of moving parts.

At every stage, and we said this from the beginning, at every stage in this bill, from the bill's introduction to the hearing to the markup to now, it has been improved. No one really knew enough. We are in a somewhat unknown area.

I would also say ultimately, I think, if we're going to get any legislation here, as I said before, we are going to get a bill that no single Member of this House likes in every particular because we are going to have to work together.

The gentleman from Maryland has identified one more area where we believe improvement can go forward. It is a subject that has to be refined some. This is the end of the session. We are getting legislation drafted. It can't always be done as carefully as we would like.

I appreciate the gentleman calling this to our attention; and in the bipartisanship spirit we have had, I believe we can continue to work on this, and by the time this bill is finally ready to be signed, we can include the thrust of what the gentleman is trying to accomplish.

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. VAN HOLLEN. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, we have discussed this amendment, and I acknowledge that the gentleman brings up a valid point. It is something that we will continue to adjust as the process goes forward.

Mr. VAN HOLLEN. Mr. Chairman, I thank Mr. BACHUS and the chairman of the committee as well. I appreciate your willingness to work on this issue as we go forward.

Mr. Chairman, I ask unanimous consent that the amendment be withdrawn.

The Acting CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 18 OFFERED BY MS. SUTTON

The Acting CHAIRMAN. It is now in order to consider amendment No. 18 printed in House Report 110–450.

Ms. SUTTON. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Ms. SUTTON:

After section 211, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 212. 6-MONTH NOTICE REQUIRED BEFORE RESET OF HYBRID ADJUSTABLE RATE MORTGAGES.

(a) IN GENERAL.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by inserting after section 128 the following new section:

''§ 128A. Reset of hybrid adjustable rate mortgages

''(a) HYBRID ADJUSTABLE RATE MORTGAGES DEFINED.—For purposes of this section, the term 'hybrid adjustable rate mortgage' means a consumer credit transaction secured by the consumer's principal residence with a fixed interest rate for an introductory period that adjusts or resets to a variable interest rate after such period.

''(b) NOTICE OF RESET AND ALTERNATIVES.—During the 1-month period that ends 6 months before the date on which the interest rate in effect during the introductory period of a hybrid adjustable rate mortgage adjusts or resets to a variable interest rate, the creditor or servicer of such loan shall provide a written notice, separate and distinct from all other correspondence to the consumer, that includes the following:

''(1) Any index or formula used in making adjustments to or resetting the interest rate and a source of information about the index or formula.

''(2) An explanation of how the new interest rate and payment would be determined, including an explanation of how the index was adjusted, such as by the addition of a margin.

''(3) A good faith estimate, based on accepted industry standards, of the creditor or servicer of the amount of the monthly payment that will apply after the date of the adjustment or reset, and the assumptions on which this estimate is based.

''(4) A list of alternatives consumers may pursue before the date of adjustment or reset, and descriptions of the actions consumers must take to pursue these alternatives, including—

''(A) refinancing;

''(B) renegotiation of loan terms;

''(C) payment forbearances; and

''(D) pre-foreclosure sales.

''(5) The names, addresses, telephone numbers, and Internet addresses of counseling agencies or programs reasonably available to the consumer that have been certified or approved and made publicly available by the Secretary of Housing and Urban Development or a State housing finance authority (as defined in section 1301 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989).

''(6) The address, telephone number, and Internet address for the State housing finance authority (as so defined) for the State in which the consumer resides.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 2 of the Truth in Lending Act is amended by inserting after the item relating to section 128 the following new item:

''128A. Reset of hybrid adjustable rate mortgages.''.

The Acting CHAIRMAN. Pursuant to House Resolution 825, the gentlewoman from Ohio (Ms. SUTTON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Ohio.

Ms. SUTTON. Mr. Chairman, first of all I would like to commend the chairman of the Financial Services Committee for his extraordinary leadership and hard work on this legislation. I also want to thank the ranking member, Mr. BACHUS, along with Mr. FRANK for their extraordinary hard work. I also extend my thanks to Mr. MILLER, the sponsor of this bill, as well.

Today I rise to offer an amendment to H.R. 3915 that I believe will take an important step in preventing avoidable foreclosures. The news stories we see every day remind us that this subprime mortgage crisis is not going away immediately. In fact, it is getting worse.

RealtyTrac just released its third quarter foreclosure numbers, and the numbers are staggering. Foreclosure filings increased 30 percent nationally from the second quarter, which translates to one foreclosure filing for every 196 American households.

Two of the largest metro areas in my district are among the 15 with the highest foreclosure rates nationally. Foreclosures in the Cleveland, Lorain, Elyria area are up 179 percent from last year. One in every 57 homes in that area is in foreclosure. In Akron, it is one of every 76. These are families in my district who are suffering.

Many of the loans involved in the current subprime mortgage crisis are hybrid adjustable rate mortgages. Though these loans typically begin with a low fixed ''teaser'' rate, it resets after 2 or 3 years, often to as much as two or three times the original payment.

According to a recently conducted survey, one in four homeowners with adjustable rate mortgages were not aware how soon their rates could spike, and three-quarters did not know how much their payments might increase.

A homeowner who does not know what is coming may not be able to ask for help until it is too late. The amendment I am offering today would take a simple step to help ensure homeowners have the opportunity to pursue all of the options available to them before the foreclosure becomes inevitable.

My amendment, which is based on a recommendation of the Ohio Foreclosure Prevention Task Force, will require lenders to send a notice to homeowners holding hybrid adjustable rate mortgages 6 months before their interest rates are due to reset. The notice will contain four key pieces of information:

It will include the new interest rate and an explanation of how it will be determined;

Second, it will require the lender to include a good-faith estimate of the monthly payment that will apply after the loan resets;

Third, it contains a list of alternatives the consumer may pursue before the date of the adjustment or reset if they feel they will have difficulty in meeting the payment obligations;

Finally, it will include the contact information of the local HUD-approved housing counseling agencies, as well as the State housing finance authority for the State in which the consumer resides.

Enhanced disclosures will help prevent avoidable foreclosures and ensure our families are not caught by surprise and trapped in a position that may ultimately force them out of their homes. I believe this disclosure is a vital tool for our families, and I urge a ''yes'' vote on this amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Ms. SUTTON. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I want to thank the gentlewoman. She has been very diligent and called to the attention of the committee some of the concerns of the Attorney General of Ohio, with whom she has been working, as have her other Ohio colleagues. I appreciate this particular amendment and also the willingness of the gentlewoman to work with us as we continue to make this a better bill. I hope her amendment is adopted.

Ms. SUTTON. Mr. Chairman, I reserve the balance of my time.

Mr. BACHUS. Mr. Chairman, I would like to claim the time in opposition.

The Acting CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. BACHUS. Mr. Chairman, the gentlewoman from Ohio obviously points out a significant problem with foreclosures in Cleveland. It is actually a heart-breaking experience that the people of Cleveland are going through when one out of every five or six houses are undergoing foreclosures. You hear some pretty devastating figures. I know, I used to be an attorney for the FOP, Fraternal Order of Police, in Birmingham; and there is absolutely nothing more problematic in a community than a vacant house from a crime standpoint as well as from a property value standpoint.

The notice she requires, I think some of that is addressed by Mr. GREEN and Mr. MCHENRY, but it is at an earlier time. I would say this, I personally am not going to ask for a roll call on this.

Going forward, I think parts of this amendment are very good. I think stating what the new interest rate will be, giving somebody a notice. The Federal Reserve said some folks sort of, you know, this is something that they don't always see or focus on. But explaining what the new interest rate is going to be and how it is going to be determined, that could be somewhat problematic, but it could be worked in a range as long as the regulators are given some discretion. Offering the borrower the best estimate of what the new monthly payment will be could also, as long as there was some range or discretion in there.

The last two things I think are very good, offering alternatives that the consumer could pursue. That might be very valuable, as would providing information on HUD-approved house counseling. I think that would be very valuable. I personally am not going to ask for a roll call on this. Other Members might.

Mr. Chairman, at this time I yield the balance of my time to the gentleman from Florida because, as you know, on this side, as with this whole body, we come with different perspectives.

Mr. FEENEY. Mr. Chairman, I appreciate the ranking member yielding on this.

Everybody deserves as much notice as possible when their obligations in life are going to change. Every mortgage describes the terms of how the note and the loan will change.

One of the problems I see with this bill is when you are required to give a borrower 6-months' notice on what their interest rate is going to be, my understanding is that some mortgages are triggered off dates that may be only 3 or 4 months in advance of the reset date. For example, does a lender have to guess high? Does a lender have to estimate 3 or 4 months out rates are going to go up so they are going to basically send the borrower notice 6 or 7 or 8 months ahead of time so they comply with this very burdensome notice regulation, and they are basically going to stick a borrower, perhaps, with a higher interest rate if the market actually lets interest rates come down than they would have otherwise been able to do.

□ 1700

I don't know whether you have to send a new notice or an adjusted notice also in terms of the alternatives that we have to describe. There are lots of alternatives if you are going to have trouble making your mortgage payment. You could hit the lottery, I suppose. You could hope that a rich uncle passes away and endows you. There are all sorts of potential alternatives.

Now, if we had a form list of three or four potential things that a borrower could do, that might make sense. But I think this is very subjective.

And speaking of the subjectivity, something I wanted to get to earlier, one of the big problems with this bill is that it has all sorts of subjective requirements, for example, that lenders cannot make loans that are not the most appropriate loans. Who knows, other than 20/20 hindsight, whether a loan was appropriate in specific circumstances? Supposing that a family gets divorced? A loan that might have been appropriate one day may be inappropriate. Suppose somebody loses their job or gets sick?

And the other huge subjective part of this entire bill is the net tangible benefits test. Supposing I go take out a loan for $100,000. I decide to go down and decide to play the ponies and I win a 10:1 payment, I become a millionaire. Well, that loan after the fact turned out to have huge net tangible benefits to me.

On the other hand, supposing I take out a $100,000 loan and put it in investments in the stock market and the market gets jittery because Congress is talking about all sorts of tax hikes. Supposing my stocks decrease from $100,000 to $50,000. Well, it turns out after the fact that my taking out that loan to put the money in the stock market did not have much net tangible benefit.

These subjective tests are a nightmare for people trying to provide credit in America.

Ms. SUTTON. I would inquire how much time I have remaining.

The Acting CHAIRMAN (Mr. HOLDEN). The gentlewoman from Ohio has 1½ minutes remaining.

Ms. SUTTON. Mr. Chairman, requiring lenders and servicers to include their best estimate of the amount that will be incurred when the loan resets is a commonsense way to deal with providing these borrowers with information that is essential if they are in a position to avoid foreclosure, and all we are asking under this amendment is for a good-faith estimate based on accepted industry standards.

The estimate need not be exact. A lender or servicer simply needs to make a good-faith effort to estimate the payment that will apply after reset.

It is important to keep consumers informed about the date of reset, but if they are not sure what they will face when the loan resets, it will be much more difficult for them to prepare what is coming. This is a simple requirement to insure that not only will homeowners know when this will happen, but also what will happen.

I appreciate greatly the remarks of the ranking member, Mr. BACHUS, and of course the support of the chairman of the Financial Services Committee.

I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Ohio (Ms. SUTTON).

The amendment was agreed to.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 110–450 on which further proceedings were postponed, in the following order:

Amendment No. 16 by Mr. PRICE of Georgia.

Amendment No. 12 by Mr. GARRETT of New Jersey.

Amendment No. 15 by Mr. MCHENRY of North Carolina.

The Chair will reduce to 2 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 16 OFFERED BY MR. PRICE OF GEORGIA

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Georgia (Mr. PRICE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 249, not voting 16, as follows:

[Roll No. 1114]

AYES—172

Aderholt
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Emerson
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (SC)
Young (AK)
Young (FL)

NOES—249

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Calvert
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Engel
English (PA)
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Frank (MA)
Gallegly
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Van Hollen
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (NM)
Wilson (OH)
Wolf
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—16

Akin
Blunt
Bono
Carson
Cubin
Davis (KY)
Doyle
Everett
Fortuño
Jindal
Kucinich
Mack
Oberstar
Paul
Velázquez
Weller

□ 1724

Mrs. MCCARTHY of New York and Messrs. CLEAVER, MORAN of Virginia and TURNER changed their vote from ''aye'' to ''no.''

Messrs. BAKER and BROWN of South Carolina changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 12 OFFERED BY MR. GARRETT OF NEW JERSEY

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. GARRETT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 188, noes 229, not voting 20, as follows:

[Roll No. 1115]

AYES—188

Aderholt
Alexander
Bachmann
Bachus
Baker
Barrett (SC)

Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—229

Abercrombie
Ackerman
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—20

Akin
Allen
Bono
Carson
Cubin
Doyle
Everett
Fortuño
Gilchrest
Jindal
Kucinich
Mack
Mahoney (FL)
Moore (WI)
Neal (MA)
Norton
Oberstar
Paul
Radanovich
Weller

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there is 1 minute remaining in this vote.

□ 1729

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 15 OFFERED BY MR. MCHENRY

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from North Carolina (Mr. MCHENRY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 2-minute vote.

The vote was taken by electronic device, and there were—ayes 168, noes 245, not voting 24, as follows:

[Roll No. 1116]

AYES—168

Aderholt
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Boyda (KS)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Ehlers
Emerson
English (PA)
Fallin
Feeney
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Manzullo
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Price (GA)
Pryce (OH)
Putnam
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Sali
Schmidt
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (SC)
Young (AK)

NOES—245

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Cardoza
Carnahan
Carney
Castor
Chabot
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Donnelly
Duncan
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Faleomavaega
Farr
Fattah
Ferguson
Filner
Frank (MA)
Gerlach
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)

Maloney (NY)
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Porter
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Rogers (KY)
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Stark
Stearns
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Welch (VT)
Wexler
Wilson (NM)
Wilson (OH)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (FL)

NOT VOTING—24

Akin
Bono
Capuano
Carson
Cubin
Deal (GA)
Doyle
Etheridge
Everett
Fortuño
Heller
Holt
Jindal
Jones (OH)
Kucinich
Mack
Norton
Oberstar
Paul
Radanovich
Spratt
Sullivan
Weiner
Weller

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there is 1 minute remaining on this vote.

□ 1733

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. AKIN. Mr. Chairman, on rollcall Nos. 1114, 1115 and 1116, had I been present, I would have voted "aye" on all 3 votes.

The Acting CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ROSS) having assumed the chair, Mr. HOLDEN, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, pursuant to House Resolution 825, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment reported from the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MRS. BLACKBURN

Mrs. BLACKBURN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentlewoman opposed to the bill?

Mrs. BLACKBURN. Yes, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mrs. Blackburn moves to recommit the bill H.R. 3915 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendments:

Page 71, line 5, strike the closing quotation marks and the second period.

Page 71, after line 5, insert the following new subsection:

''(m) APPROVED IDENTIFICATION TO OBTAIN A RESIDENTIAL MORTGAGE LOAN.—

''(1) VERIFICATION REQUIRED.—A creditor may not extend any credit in connection with a residential mortgage loan unless the creditor verifies the identity of an individual seeking to obtain any such loan.

''(2) FORM OF IDENTITY.—A creditor may not accept, for the purpose of verifying the identity of an individual seeking to obtain a residential mortgage loan, any form of identification of the individual other than the following:

''(A) SOCIAL SECURITY CARD WITH PHOTO IDENTIFICATION CARD.—A social security card accompanied by a photo identification card issued by the Federal Government or a State Government.

''(B) REAL ID ACT IDENTIFICATION.— A driver's license or identification card issued by a State in the case of a State that is in compliance with title II of the REAL ID Act of 2005 (title II of division B of Public Law 109–13; 49 U.S.C. 30301 note) other than an identification card issued under section 202(d)(11) of such Act.

''(C) PASSPORT.—A passport issued by the United States or a foreign government.

''(D) USCIS PHOTO IDENTIFICATION CARD.—A photo identification card issued by the Secretary of Homeland Security (acting through the Director of the United States Citizenship and Immigration Services).''.

The SPEAKER pro tempore. The gentlewoman from Tennessee is recognized for 5 minutes.

Mrs. BLACKBURN. Mr. Speaker, we've heard a lot today about H.R. 3915 and how it is a dramatic departure from current law that I believe will have an unintended negative impact on banks and creditworthy home buyers.

I think it's the opinion of many in this Chamber, certainly it's my opinion, that in an attempt to improve conditions in the housing market, this bill instead will likely prevent more hardworking Americans from obtaining a mortgage in a market that is already feeling the pinch. They need more help; they do not need roadblocks.

The legislation before the House today may do more harm than good. Yet reasonable people, which we are in this Chamber, can choose to disagree on issues, and this is one of those where we are in disagreement. I respect my colleagues on both sides of the aisle for their varying positions on this legislation, but there is disagreement.

I believe most of my colleagues cannot disagree with the following proposition, and it is this: American creditors should not be able to extend any credit in connection with a residential mortgage loan unless they verify the identity and legal immigration status of a potential debtor and verify the status with only a secure ID.

Mr. Speaker, this recommittal makes good, solid common sense. The American people do not believe that illegal immigrants and other individuals without proper identification are entitled to the same benefits, privileges and services as U.S. citizens and legal aliens. To extend such benefits only reinforces their notion that the laws of this land exist only on paper.

This motion to recommit will help preserve the faith the American people have left with this government and show that we are serious about denying services to those who are not entitled.

It is quite simple. The motion, number one, requires creditors to verify the identity of an individual seeking to obtain a loan for a residential mortgage; and, number two, prevents a creditor from accepting, for the purpose of verification, any form of identification other than a Social Security card with photo ID, a REAL ID identification card, a passport, or a USCIS-issued photo ID card.

Mr. Speaker, the American people have spoken out loud and clear on this issue. They do not believe that illegal immigrants, international criminals, and those who may wish this Nation harm should have access to American financial markets. That is why I had previously introduced H.R. 1314, the Photo ID Security Act. The legislation responded to plans and actions by firms in the financial services sector to affirmatively target this population by accepting insecure identification. My office was flooded with phone calls, e-mails, letters from across the country; many included credit cards that people had cut up in protest to their bank's decisions.

The motion to recommit adopts much of the language that was found and cosponsored in a bipartisan basis in H.R. 1314 and will provide American citizens the reassurance they need that the American financial services sector is, indeed, secure. It doesn't solve all the problems of the underlying legislation, but it is certainly a start.

Let's take one step forward for the security of the financial services market, Mr. Speaker, and let's all support this motion to recommit.

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

Mr. FRANK of Massachusetts. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. We have, from time to time, debated the issue as to whether or not we could make sure that no one who is not a legal resident or a citizen could qualify, but that's not what we're debating today. Let me read from page 2.

There are four kinds of identification that you must show. By the way, the mortgage industry and the real estate industry will not like the further paperwork here, but listen to this, lines 14 and 15, ''You must show a passport issued by the United States or a foreign government.'' Now, what makes anyone think that people who are in the United States with a foreign passport are here legally? They have foreign passports from other countries.

I think the problem is some on the other side have taken the word ''alien'' too literally, that is, they think an alien is someone who's not from the Earth. Because someone who is in America illegally who is from the Earth might have an Iranian passport or a Venezuelan passport or a Burmese passport.

So understand, what I think is happening is this. I've been seeing these a lot. I do a lot of recommits; it's a heck of a way to spend your life, but that's my job. This foreign government passport is new. I think what happened was this. I think the real estate industry, this is literally my speculation, the real estate industry said to the Republicans, Hey, wait a minute, we make a lot of money selling houses to foreigners. Don't cut out the foreigners.

□ 1745

But you forgot to say legal foreigners. This is what this bill says. So you may have some Americans who don't have all this ID, who don't have a passport, who don't live in a REAL ID State. They may not have this. They may have a driver's license that they can use and it's not a REAL ID State.

An American in a REAL ID State who doesn't have a passport can't make it. But an Iranian with an Iranian passport, Welcome to my home. Here's your mortgage.

Now, I understand the impulse to prevent illegal aliens from getting predatory mortgages. That's a very kind thing that the Republicans want to do for them. But they don't do it competently. Read the bill. It says if you have a foreign passport, you qualify. You vote for this and you will be favoring people from other countries who are here illegally over Americans who don't have a passport and don't live in a REAL ID State. Now, that's irrefutable.

In your desire to further the profitability of the real estate industry, and a lot of them are my friends and I have nothing against their profitability, but why would we want to vote for a recommit that elevates a foreigner who has no legal right to be in the United States and say they can qualify under this recommit, but an American who doesn't have a passport and doesn't live in a REAL ID State, has a driver's license and therefore didn't think they needed something, they wouldn't qualify. So we say to Americans, if you happen to be American, you had better get a passport and, now, it could be a Venezuelan passport, could be a Canadian passport, we don't care where it's from, just get a passport. I am baffled by this and I just think somebody didn't think this one through.

The point is that this recommit says nothing about restricting the mortgage process to people who are here only legally, because if you really think that people who are here illegally don't have a foreign passport, then you don't understand the situation.

So I say let's reject this effort to elevate foreign passports from people who may be here illegally over Americans who happen to not live in a REAL ID State and reject this recommit.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

RECORDED VOTE

Mrs. BLACKBURN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 188, noes 231, not voting 13, as follows:

[Roll No. 1117]

AYES—188

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Dent
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Fallin
Feeney
Ferguson
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kanjorski
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Latham
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Patrick
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Ryan (WI)
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Space
Stearns
Sullivan
Tancredo
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NOES—231

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Fortenberry
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)

Pomeroy
Price (NC)
Rahall
Rangel
Rehberg
Renzi
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth
Young (AK)

NOT VOTING—13

Bono
Carson
Cubin
Doyle
Everett
Jindal
Kucinich
Mack
Marshall
Oberstar
Paul
Royce
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1804

Mr. ALTMIRE changed his vote from ''no'' to ''aye.''

So the motion to recommit was rejected.

The result of the vote was announced as above stated.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. SCOTT of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 291, nays 127, not voting 14, as follows:

[Roll No. 1118]

YEAS—291

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Bachus
Baird
Baldwin
Barrow
Bartlett (MD)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Bonner
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Buchanan
Butterfield
Calvert
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Dreier
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fortenberry
Frank (MA)
Gallegly
Gerlach
Giffords
Gilchrest
Gillibrand
Gonzalez
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Heller
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Klein (FL)
Kline (MN)
Knollenberg
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McKeon
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Rangel
Regula
Reichert
Renzi
Reyes
Richardson
Rodriguez
Rogers (AL)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Wexler
Whitfield
Wilson (NM)
Wilson (OH)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (FL)

NAYS—127

Aderholt
Akin
Alexander
Bachmann
Baker
Barrett (SC)
Barton (TX)
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Burgess
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Doolittle
Drake
Duncan
Fallin
Feeney
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gingrey
Gohmert
Goode
Goodlatte
Granger
Hall (TX)
Hastert
Hastings (WA)
Hensarling
Herger
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jordan
Keller
King (IA)
Kingston
Kirk
Kuhl (NY)
Lamborn
Lewis (KY)
Linder
Lucas
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCrery
McHenry
McMorris Rodgers
Mica
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Price (GA)
Putnam
Radanovich
Ramstad
Rehberg
Reynolds
Rogers (KY)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Smith (NE)
Smith (TX)
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Walberg
Walden (OR)
Walsh (NY)
Wamp
Westmoreland
Wicker
Wilson (SC)
Young (AK)

NOT VOTING—14

Bono
Burton (IN)
Buyer
Carson
Cubin
Doyle
Everett
Jindal
Kucinich
Mack
Oberstar
Paul
Salazar
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised less than 2 minutes are remaining on this vote.

□ 1812

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. BURTON of Indiana. Mr. Speaker, on rollcall No. 1118, had I been present, I would have voted "nay."

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3915, MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 3915, to include corrections in spelling, punctuation, references to line numbers, section numbering, and cross-referencing, and the insertion of appropriate headings.

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

There was no objection.

RESTORE ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 746, proceedings will now resume on the bill (H.R. 3773) to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R 3773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Responsible Electronic Surveillance That is Overseen, Reviewed, and Effective Act of 2007'' or ''RESTORE Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Clarification of electronic surveillance of non-United States persons outside the United States.

Sec. 3. Procedure for authorizing acquisitions of communications of non-United States persons located outside the United States.
Sec. 4. Emergency authorization of acquisitions of communications of non-United States persons located outside the United States.
Sec. 5. Oversight of acquisitions of communications of non-United States persons located outside of the United States.
Sec. 6. Foreign Intelligence Surveillance Court en banc.
Sec. 7. Audit of warrantless surveillance programs.
Sec. 8. Record-keeping system on acquisition of communications of United States persons.
Sec. 9. Authorization for increased resources relating to foreign intelligence surveillance.
Sec. 10. Reiteration of FISA as the exclusive means by which electronic surveillance may be conducted for gathering foreign intelligence information.
Sec. 11. Technical and conforming amendments.
Sec. 12. Sunset; transition procedures.

SEC. 2. CLARIFICATION OF ELECTRONIC SURVEILLANCE OF NON-UNITED STATES PERSONS OUTSIDE THE UNITED STATES.

Section 105A of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''CLARIFICATION OF ELECTRONIC SURVEILLANCE OF NON-UNITED STATES PERSONS OUTSIDE THE UNITED STATES

''SEC. 105A. (a) FOREIGN TO FOREIGN COMMUNICATIONS.—Notwithstanding any other provision of this Act, a court order is not required for the acquisition of the contents of any communication between persons that are not United States persons and are not located within the United States for the purpose of collecting foreign intelligence information, without respect to whether the communication passes through the United States or the surveillance device is located within the United States.

''(b) COMMUNICATIONS OF NON-UNITED STATES PERSONS OUTSIDE OF THE UNITED STATES.—Notwithstanding any other provision of this Act other than subsection (a), electronic surveillance that is directed at the acquisition of the communications of a person that is reasonably believed to be located outside the United States and not a United States person for the purpose of collecting foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)) by targeting that person shall be conducted pursuant to—

''(1) an order approved in accordance with section 105 or 105B; or

''(2) an emergency authorization in accordance with section 105 or 105C.''.

SEC. 3. PROCEDURE FOR AUTHORIZING ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES.

Section 105B of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''PROCEDURE FOR AUTHORIZING ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES

''SEC. 105B. (a) IN GENERAL.—Notwithstanding any other provision of this Act, the Director of National Intelligence and the Attorney General may jointly apply to a judge of the court established under section 103(a) for an ex parte order, or the extension of an order, authorizing for a period of up to one year the acquisition of communications of persons that are reasonably believed to be located outside the United States and not United States persons for the purpose of collecting foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)) by targeting those persons.

''(b) APPLICATION INCLUSIONS.—An application under subsection (a) shall include—

''(1) a certification by the Director of National Intelligence and the Attorney General that—

''(A) the targets of the acquisition of foreign intelligence information under this section are persons reasonably believed to be located outside the United States;

''(B) the targets of the acquisition are reasonably believed to be persons that are not United States persons;

''(C) the acquisition involves obtaining the foreign intelligence information from, or with the assistance of, a communications service provider or custodian, or an officer, employee, or agent of such service provider or custodian, who has authorized access to the communications to be acquired, either as they are transmitted or while they are stored, or equipment that is being or may be used to transmit or store such communications; and

''(D) a significant purpose of the acquisition is to obtain foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)); and

''(2) a description of—

''(A) the procedures that will be used by the Director of National Intelligence and the Attorney General during the duration of the order to determine that there is a reasonable belief that the targets of the acquisition are persons that are located outside the United States and not United States persons;

''(B) the nature of the information sought, including the identity of any foreign power against whom the acquisition will be directed;

''(C) minimization procedures that meet the definition of minimization procedures under section 101(h) to be used with respect to such acquisition; and

''(c) SPECIFIC PLACE NOT REQUIRED.—An application under subsection (a) is not required to identify the specific facilities, places, premises, or property at which the acquisition of foreign intelligence information will be directed.

''(d) REVIEW OF APPLICATION.—Not later than 15 days after a judge receives an application under subsection (a), the judge shall review such application and shall approve the application if the judge finds that—

''(1) the proposed procedures referred to in subsection (b)(2)(A) are reasonably designed to determine whether the targets of the acquisition are located outside the United States and not United States persons;

''(2) the proposed minimization procedures referred to in subsection (b)(2)(C) meet the definition of minimization procedures under section 101(h); and

''(3) the guidelines referred to in subsection (b)(2)(D) are reasonably designed to ensure that an application is filed under section 104, if otherwise required by this Act, when the Federal Government seeks to conduct electronic surveillance of a person reasonably believed to be located in the United States.

''(e) ORDER.—

''(1) IN GENERAL.—A judge approving an application under subsection (d) shall issue an order—

''(A) authorizing the acquisition of the contents of the communications as requested, or as modified by the judge;

''(B) requiring the communications service provider or custodian, or officer, employee, or agent of such service provider or custodian, who has authorized access to the information, facilities, or technical assistance necessary to accomplish the acquisition to provide such information, facilities, or technical assistance necessary to accomplish the acquisition and to produce a minimum of interference with the services that provider, custodian, officer, employee, or agent is providing the target of the acquisition;

''(C) requiring such communications service provider, custodian, officer, employee, or agent, upon the request of the applicant, to maintain under security procedures approved by the Attorney General and the Director of National Intelligence any records concerning the acquisition or the aid furnished;

''(D) directing the Federal Government to—

''(i) compensate, at the prevailing rate, a person for providing information, facilities, or assistance pursuant to such order; and

''(ii) provide a copy of the portion of the order directing the person to comply with the order to such person; and

''(E) directing the applicant to follow—

''(i) the procedures referred to in subsection (b)(2)(A) as proposed or as modified by the judge;

''(ii) the minimization procedures referred to in subsection (b)(2)(C) as proposed or as modified by the judge; and

''(iii) the guidelines referred to in subsection (b)(2)(D) as proposed or as modified by the judge.

''(2) FAILURE TO COMPLY.—If a person fails to comply with an order issued under paragraph (1), the Attorney General may invoke the aid of the court established under section 103(a) to compel compliance with the order. Failure to obey an order of the court may be punished by the court as contempt of court. Any process under this section may be served in any judicial district in which the person may be found.

''(3) LIABILITY OF ORDER.—Notwithstanding any other law, no cause of action shall lie in any court against any person for providing any information, facilities, or assistance in accordance with an order issued under this subsection.

''(4) RETENTION OF ORDER.—The Director of National Intelligence and the court established under subsection 103(a) shall retain an order issued under this section for a period of not less than 10 years from the date on which such order is issued.

''(5) ASSESSMENT OF COMPLIANCE WITH MINIMIZATION PROCEDURES.—At or before the end of the period of time for which an acquisition is approved by an order or an extension under this section, the judge may assess compliance with the minimization procedures referred to in paragraph (1)(E)(ii) and the guidelines referred to in paragraph (1)(E)(iii) by reviewing the circumstances under which information concerning United States persons was acquired, retained, or disseminated.''.

SEC. 4. EMERGENCY AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES.

Section 105C of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''EMERGENCY AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES

''SEC. 105C. (a) APPLICATION AFTER EMERGENCY AUTHORIZATION.—As soon as is practicable, but not more than 7 days after the Director of National Intelligence and the Attorney General authorize an acquisition

under this section, an application for an order authorizing the acquisition in accordance with section 105B shall be submitted to the judge referred to in subsection (b)(2) of this section for approval of the acquisition in accordance with section 105B.

''(b) EMERGENCY AUTHORIZATION.—Notwithstanding any other provision of this Act, the Director of National Intelligence and the Attorney General may jointly authorize the emergency acquisition of foreign intelligence information for a period of not more than 45 days if—

''(1) the Director of National Intelligence and the Attorney General jointly determine that—

''(A) an emergency situation exists with respect to an authorization for an acquisition under section 105B before an order approving the acquisition under such section can with due diligence be obtained;

''(B) the targets of the acquisition of foreign intelligence information under this section are persons reasonably believed to be located outside the United States;

''(C) the targets of the acquisition are reasonably believed to be persons that are not United States persons;

''(D) there are reasonable procedures in place for determining that the acquisition of foreign intelligence information under this section will be acquired by targeting only persons that are reasonably believed to be located outside the United States and not United States persons;

''(E) the acquisition involves obtaining the foreign intelligence information from, or with the assistance of, a communications service provider or custodian, or an officer, employee, or agent of such service provider or custodian, who has authorized access to the communications to be acquired, either as they are transmitted or while they are stored, or equipment that is being or may be used to transmit or store such communications;

''(F) a significant purpose of the acquisition is to obtain foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)); and

''(G) minimization procedures to be used with respect to such acquisition activity meet the definition of minimization procedures under section 101(h); and

''(2) the Director of National Intelligence and the Attorney General, or their designees, inform a judge having jurisdiction to approve an acquisition under section 105B at the time of the authorization under this section that the decision has been made to acquire foreign intelligence information.

''(c) INFORMATION, FACILITIES, AND TECHNICAL ASSISTANCE.—Pursuant to an authorization of an acquisition under this section, the Attorney General may direct a communications service provider, custodian, or an officer, employee, or agent of such service provider or custodian, who has the lawful authority to access the information, facilities, or technical assistance necessary to accomplish such acquisition to—

''(1) furnish the Attorney General forthwith with such information, facilities, or technical assistance in a manner that will protect the secrecy of the acquisition and produce a minimum of interference with the services that provider, custodian, officer, employee, or agent is providing the target of the acquisition; and

''(2) maintain under security procedures approved by the Attorney General and the Director of National Intelligence any records concerning the acquisition or the aid furnished.''.

SEC. 5. OVERSIGHT OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES.

The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by inserting after section 105C the following new section:

''OVERSIGHT OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES

''SEC. 105D. (a) APPLICATION; PROCEDURES; ORDERS.—Not later than 7 days after an application is submitted under section 105B(a) or an order is issued under section 105B(e), the Director of National Intelligence and the Attorney General shall submit to the appropriate committees of Congress—

''(1) in the case of an application, a copy of the application, including the certification made under section 105B(b)(1); and

''(2) in the case of an order, a copy of the order, including the procedures and guidelines referred to in section 105B(e)(1)(E).

''(b) QUARTERLY AUDITS.—

''(1) AUDIT.—Not later than 120 days after the date of the enactment of this section, and every 120 days thereafter until the expiration of all orders issued under section 105B, the Inspector General of the Department of Justice shall complete an audit on the implementation of and compliance with the procedures and guidelines referred to in section 105B(e)(1)(E) and shall submit to the appropriate committees of Congress, the Attorney General, the Director of National Intelligence, and the court established under section 103(a) the results of such audit, including, for each order authorizing the acquisition of foreign intelligence under section 105B—

''(A) the number of targets of an acquisition under such order that were later determined to be located in the United States;

''(B) the number of persons located in the United States whose communications have been acquired under such order;

''(C) the number and nature of reports disseminated containing information on a United States person that was collected under such order; and

''(D) the number of applications submitted for approval of electronic surveillance under section 104 for targets whose communications were acquired under such order.

''(2) REPORT.—Not later than 30 days after the completion of an audit under paragraph (1), the Attorney General shall submit to the appropriate committees of Congress and the court established under section 103(a) a report containing the results of such audit.

''(c) COMPLIANCE REPORTS.—Not later than 60 days after the date of the enactment of this section, and every 120 days thereafter until the expiration of all orders issued under section 105B, the Director of National Intelligence and the Attorney General shall submit to the appropriate committees of Congress and the court established under section 103(a) a report concerning acquisitions under section 105B during the previous 120-day period. Each report submitted under this section shall include a description of any incidents of non-compliance with an order issued under section 105B(e), including incidents of non-compliance by—

''(1) an element of the intelligence community with minimization procedures referred to in section 105B(e)(1)(E)(i);

''(2) an element of the intelligence community with procedures referred to in section 105B(e)(1)(E)(ii);

''(3) an element of the intelligence community with guidelines referred to in section 105B(e)(1)(E)(iii); and

''(4) a person directed to provide information, facilities, or technical assistance under such order.

''(d) REPORT ON EMERGENCY AUTHORITY.—The Director of National Intelligence and the Attorney General shall annually submit to the appropriate committees of Congress a report containing the number of emergency authorizations of acquisitions under section 105C and a description of any incidents of non-compliance with an emergency authorization under such section.

''(e) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term 'appropriate committees of Congress' means—

''(1) the Permanent Select Committee on Intelligence of the House of Representatives;

''(2) the Select Committee on Intelligence of the Senate; and

''(3) the Committees on the Judiciary of the House of Representatives and the Senate.''.

SEC. 6. FOREIGN INTELLIGENCE SURVEILLANCE COURT EN BANC.

Section 103 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803) is amended by adding at the end the following new subsection:

''(g) In any case where the court established under subsection (a) or a judge of such court is required to review a matter under this Act, the court may, at the discretion of the court, sit en banc to review such matter and issue any orders related to such matter.''.

SEC. 7. AUDIT OF WARRANTLESS SURVEILLANCE PROGRAMS.

(a) AUDIT.—Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Department of Justice shall complete an audit of all programs of the Federal Government involving the acquisition of communications conducted without a court order on or after September 11, 2001, including the Terrorist Surveillance Program referred to by the President in a radio address on December 17, 2005. Such audit shall include acquiring all documents relevant to such programs, including memoranda concerning the legal authority of a program, authorizations of a program, certifications to telecommunications carriers, and court orders.

(b) REPORT.—

(1) IN GENERAL.—Not later than 30 days after the completion of the audit under subsection (a), the Inspector General shall submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report containing the results of such audit, including all documents acquired pursuant to conducting such audit.

(2) FORM.—The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) EXPEDITED SECURITY CLEARANCE.—The Director of National Intelligence shall ensure that the process for the investigation and adjudication of an application by the Inspector General or the appropriate staff of the Office of the Inspector General of the Department of Justice for a security clearance necessary for the conduct of the audit under subsection (a) is conducted as expeditiously as possible.

SEC. 8. RECORD-KEEPING SYSTEM ON ACQUISITION OF COMMUNICATIONS OF UNITED STATES PERSONS.

(a) RECORD-KEEPING SYSTEM.—The Director of National Intelligence and the Attorney General shall jointly develop and maintain a record-keeping system that will keep track of—

(1) the instances where the identity of a United States person whose communications were acquired was disclosed by an element of

the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)) that collected the communications to other departments or agencies of the United States; and

(2) the departments and agencies of the Federal Government and persons to whom such identity information was disclosed.

(b) REPORT.—The Director of National Intelligence and the Attorney General shall annually submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report on the record-keeping system created under subsection (a), including the number of instances referred to in paragraph (1).

SEC. 9. AUTHORIZATION FOR INCREASED RESOURCES RELATING TO FOREIGN INTELLIGENCE SURVEILLANCE.

There are authorized to be appropriated the Department of Justice, for the activities of the Office of the Inspector General, the Office of Intelligence Policy and Review, and other appropriate elements of the National Security Division, and the National Security Agency such sums as may be necessary to meet the personnel and information technology demands to ensure the timely and efficient processing of—

(1) applications and other submissions to the court established under section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a));

(2) the audit and reporting requirements under—

(A) section 105D of such Act; and

(B) section 7; and

(3) the record-keeping system and reporting requirements under section 8.

SEC. 10. REITERATION OF FISA AS THE EXCLUSIVE MEANS BY WHICH ELECTRONIC SURVEILLANCE MAY BE CONDUCTED FOR GATHERING FOREIGN INTELLIGENCE INFORMATION.

(a) EXCLUSIVE MEANS.—Notwithstanding any other provision of law, the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) shall be the exclusive means by which electronic surveillance may be conducted for the purpose of gathering foreign intelligence information.

(b) SPECIFIC AUTHORIZATION REQUIRED FOR EXCEPTION.—Subsection (a) shall apply until specific statutory authorization for electronic surveillance, other than as an amendment to the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.), is enacted. Such specific statutory authorization shall be the only exception to subsection (a).

SEC. 11. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF CONTENTS.—The table of contents in the first section of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by striking the items relating to sections 105A, 105B, and 105C and inserting the following new items:

''Sec. 105A. Clarification of electronic surveillance of non-United States persons outside the United States.

''Sec. 105B. Procedure for authorizing acquisitions of communications of non-United States persons located outside the United States.

''Sec. 105C. Emergency authorization of acquisitions of communications of non-United States persons located outside the United States.

''Sec. 105D. Oversight of acquisitions of communications of persons located outside of the United States.''.

(b) SECTION 103(e) OF FISA.—Section 103(e) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(e)) is amended—

(1) in paragraph (1), by striking ''105B(h) or''; and

(2) in paragraph (2), by striking ''105B(h) or''.

(c) REPEAL OF CERTAIN PROVISIONS OF THE PROTECT AMERICA ACT.—Sections 4 and 6 of the Protect America Act (Public Law 110–55) are hereby repealed.

SEC. 12. SUNSET; TRANSITION PROCEDURES.

(a) SUNSET OF NEW PROVISIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), effective on December 31, 2009—

(A) sections 105A, 105B, 105C, and 105D of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) are hereby repealed; and

(B) the table of contents in the first section of such Act is amended by striking the items relating to sections 105A, 105B, 105C, and 105D.

(2) ACQUISITIONS AUTHORIZED PRIOR TO SUNSET.—Any authorization or order issued under section 105B of the Foreign Intelligence Surveillance Act of 1978, as amended by this Act, in effect on December 31, 2009, shall continue in effect until the date of the expiration of such authorization or order.

(b) ACQUISITIONS AUTHORIZED PRIOR TO ENACTMENT.—

(1) EFFECT.—Notwithstanding the amendments made by this Act, an authorization of the acquisition of foreign intelligence information under section 105B of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) made before the date of the enactment of this Act shall remain in effect until the date of the expiration of such authorization or the date that is 180 days after such date of enactment, whichever is earlier.

(2) REPORT.—Not later than 30 days after the date of the expiration of all authorizations of acquisition of foreign intelligence information under section 105B of the Foreign Intelligence Surveillance Act of 1978 (as added by Public Law 110–55) made before the date of the enactment of this Act in accordance with paragraph (1), the Director of National Intelligence and the Attorney General shall submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report on such authorizations, including—

(A) the number of targets of an acquisition under section 105B of such Act (as in effect on the day before the date of the enactment of this Act) that were later determined to be located in the United States;

(B) the number of persons located in the United States whose communications have been acquired under such section;

(C) the number of reports disseminated containing information on a United States person that was collected under such section;

(D) the number of applications submitted for approval of electronic surveillance under section 104 of such Act based upon information collected pursuant to an acquisition authorized under section 105B of such Act (as in effect on the day before the date of the enactment of this Act); and

(E) a description of any incidents of non-compliance with an authorization under such section, including incidents of non-compliance by—

(i) an element of the intelligence community with procedures referred to in subsection (a)(1) of such section;

(ii) an element of the intelligence community with minimization procedures referred to in subsection (a)(5) of such section; and

(iii) a person directed to provide information, facilities, or technical assistance under subsection (e) of such section.

(3) INTELLIGENCE COMMUNITY DEFINED.—In this subsection, the term ''intelligence community'' has the meaning given the term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

The SPEAKER pro tempore. Pursuant to House Resolution 824, the further amendment printed in House Report 110–449 is adopted.

The text of the bill, as amended, is as follows:

H.R 3773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Responsible Electronic Surveillance That is Overseen, Reviewed, and Effective Act of 2007'' or ''RESTORE Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Clarification of electronic surveillance of non-United States persons outside the United States.

Sec. 3. Additional authorization of acquisitions of communications of non-United States persons located outside the United States who may be communicating with persons inside the United States.

Sec. 4. Emergency authorization of acquisitions of communications of non-United States persons located outside the United Statesfwho may be communicating with persons inside the United States.

Sec. 5. 0versight of acquisitions of communications of non-United States persons located outside of the United States fNho may be communicating with persons inside the United States.

Sec. 6. Foreign Intelligence Surveillance Court en banco

Sec. 7. Foreign Intelligence Surveillance Court matters.

Sec. 8. Reiteration of FISA as the exclusive means by which electronic surveillance may be conducted for gathering foreign intelligence information.

Sec. 9. Enhancement of electronic surveillance authority in wartime and other collection.

Sec. 10. Audit of warrantless surveillance programs.

Sec. 11. Record-keeping system on acquisition of communications of United States persons.

Sec. 12. Authorization for increased resources relating to foreign intelligence surveillance.

Sec. 13. Document management system for applications for orders approving electronic surveillance.

Sec. 14. Training of intelligence community personnel in foreign intelligence collection matters.

Sec. 15. Information for Congress on the terrorist surveillance program and similar programs.

Sec. 16. Technical and conforming amendments.

Sec. 17. Sunset; transition procedures.

SEC. 2. CLARIFICATION OF ELECTRONIC SURVEILLANCE OF NON-UNITED STATES PERSONS OUTSIDE THE UNITED STATES.

Section 105A of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''CLARIFICATION OF ELECTRONIC SURVEILLANCE OF NON-UNITED STATES PERSONS OUTSIDE THE UNITED STATES

''SEC. 105A. (a) FOREIGN TO FOREIGN COMMUNICATIONS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, a court order is not required for the acquisition of the contents of any communication between persons that are not known to be United States persons and are reasonably believed to be located outside the United States for the purpose of collecting foreign intelligence information, without respect to whether the communication passes through the United States or the surveillance device is located within the United States.

''(2) TREATMENT OF INADVERTENT INTERCEPTIONS.—If electronic surveillance referred to in paragraph (1) inadvertently collects a communication in which at least one party to the communication is located inside the United States or is a United States person, the contents of such communication shall be handled in accordance with minimization procedures adopted by the Attorney General that require that no contents of any communication to which a United States person is a party shall be disclosed, disseminated, or used for any purpose or retained for longer than 7 days unless a court order under section 105 is obtained or unless the Attorney General determines that the information indicates a threat of death or serious bodily harm to any person.

''(b) COMMUNICATIONS OF NON-UNITED STATES PERSONS OUTSIDE OF THE UNITED STATES.—Notwithstanding any other provision of this Act other than subsection (a), electronic surveillance that is directed at the acquisition of the communications of a person that is reasonably believed to be located outside the United States and not a United States person for the purpose of collecting foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)) by targeting that person shall be conducted pursuant to—

''(1) an order approved in accordance with section 105 or 105B; or

''(2) an emergency authorization in accordance with section 105 or 105C.''.

SEC. 3. ADDITIONAL AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES.

Section 105B of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''ADDITIONAL AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES.

''SEC. 105B. (a) IN GENERAL.—Notwithstanding any other provision of this Act, the Director of National Intelligence and the Attorney General may jointly apply to a judge of the court established under section 103(a) for an ex parte order, or the extension of an order, authorizing for a period of up to one year the acquisition of communications of persons that are reasonably believed to be located outside the United States and not United States persons for the purpose of collecting foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)) by targeting those persons.

''(b) APPLICATION INCLUSIONS.—An application under subsection (a) shall include—

''(1) a certification by the Director of National Intelligence and the Attorney General that—

''(A) the targets of the acquisition of foreign intelligence information under this section are persons reasonably believed to be located outside the United States who may be communicating with persons inside the United States;

''(B) the targets of the acquisition are reasonably believed to be persons that are not United States persons;

''(C) the acquisition involves obtaining the foreign intelligence information from, or with the assistance of, a communications service provider or custodian, or an officer, employee, or agent of such service provider or custodian, who has authorized access to the communications to be acquired, either as they are transmitted or while they are stored, or equipment that is being or may be used to transmit or store such communications; and

''(D) a significant purpose of the acquisition is to obtain foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)); and

''(2) a description of—

''(A) the procedures that will be used by the Director of National Intelligence and the Attorney General during the duration of the order to determine that there is a reasonable belief that the persons that are the targets of the acquisition are located outside the United States and not United States persons;

''(B) the nature of the information sought, including the identity of any foreign power against whom the acquisition will be directed;

''(C) minimization procedures that meet the definition of minimization procedures under section 101(h) to be used with respect to such acquisition; and

''(D)(i) the guidelines that will be used to ensure that an application is filed under section 104, if otherwise required by this Act, when a significant purpose of an acquisition is to acquire the communications of a specific United States person reasonably believed to be located in the United States; and

''(ii) the criteria for determining if such a significant purpose exists, which shall require consideration of whether—

''(I) the department or agency of the Federal Government conducting the acquisition has made an inquiry to another department or agency of the Federal Government to gather information on the specific United States person;

''(II) the department or agency of the Federal Government conducting the acquisition has provided information that identifies the specific United States person to another department or agency of the Federal Government;

''(III) the department or agency of the Federal Government conducting the acquisition determines that the specific United States person has been the subject of ongoing interest or repeated investigation by a department or agency of the Federal Government; and

''(IV) the specific United States person is a natural person.

''(c) SPECIFIC PLACE NOT REQUIRED.—An application under subsection (a) is not required to identify the specific facilities, places, premises, or property at which the acquisition of foreign intelligence information will be directed.

''(d) REVIEW OF APPLICATION; APPEALS.—

''(1) REVIEW OF APPLICATION.—Not later than 15 days after a judge receives an application under subsection (a), the judge shall review such application and shall approve the application if the judge finds that—

''(A) the proposed procedures referred to in subsection (b)(2)(A) are reasonably designed to determine whether the targets of the acquisition are located outside the United States and not United States persons;

''(B) the proposed minimization procedures referred to in subsection (b)(2)(C) meet the definition of minimization procedures under section 101(h); and

''(C)(i) the guidelines referred to in subsection (b)(2)(D) are reasonably designed to ensure that an application is filed under section 104, if otherwise required by this Act, when a significant purpose of an acquisition is to acquire the communications of a specific United States person reasonably believed to be located in the United States; and

''(ii) the criteria for determining if such a significant purpose exists require consideration of whether—

''(I) the department or agency of the Federal Government conducting the acquisition has made an inquiry to another department or agency of the Federal Government to gather information on the specific United States person;

''(II) the department or agency of the Federal Government conducting the acquisition has provided information that identifies the specific United States person to another department or agency of the Federal Government;

''(III) the department or agency of the Federal Government conducting the acquisition determines that the specific United States person has been the subject of ongoing interest or repeated investigation by a department or agency of the Federal Government; and

''(IV) the specific United States person is a natural person.

''(2) TEMPORARY ORDER; APPEALS.—

''(A) TEMPORARY ORDER.—A judge denying an application under paragraph (1) may, at the application of the United States, issue a temporary order to authorize an acquisition under section 105B in accordance with the application under subsection (a) during the pendency of any appeal of the denial of such application.

''(B) APPEALS.—The United States may appeal the denial of an application for an order under paragraph (1) or a temporary order under subparagraph (A) in accordance with section 103.

''(e) ORDER.—

''(1) IN GENERAL.—A judge approving an application under subsection (d) shall issue an order—

''(A) authorizing the acquisition of the contents of the communications as requested, or as modified by the judge;

''(B) requiring the communications service provider or custodian, or officer, employee, or agent of such service provider or custodian, who has authorized access to the information, facilities, or technical assistance necessary to accomplish the acquisition to provide such information, facilities, or technical assistance necessary to accomplish the acquisition and to produce a minimum of interference with the services that provider, custodian, officer, employee, or agent is providing the target of the acquisition;

''(C) requiring such communications service provider, custodian, officer, employee, or agent, upon the request of the applicant, to maintain under security procedures approved by the Attorney General and the Director of National Intelligence any records concerning the acquisition or the aid furnished;

''(D) directing the Federal Government to—

''(i) compensate, at the prevailing rate, a person for providing information, facilities, or assistance pursuant to such order;

''(ii) provide a copy of the portion of the order directing the person to comply with the order to such person; and

''(iii) provide a certification stating that the acquisition is authorized under this section and that all requirements of this section have been met; and

''(E) directing the applicant to follow—

''(i) the procedures referred to in subsection (b)(2)(A) as proposed or as modified by the judge;

''(ii) the minimization procedures referred to in subsection (b)(2)(C) as proposed or as modified by the judge; and

''(iii) the guidelines referred to in subsection (b)(2)(D) as proposed or as modified by the judge.

''(2) FAILURE TO COMPLY.—If a person fails to comply with an order issued under paragraph (1), the Attorney General may invoke the aid of the court established under section 103(a) to compel compliance with the order. Failure to obey an order of the court may be punished by the court as contempt of court. Any process under this section may be served in any judicial district in which the person may be found.

''(3) LIABILITY OF ORDER.—Notwithstanding any other law, no cause of action shall lie in any court against any person for providing any information, facilities, or assistance in accordance with an order issued under this subsection.

''(4) RETENTION OF ORDER.—The Director of National Intelligence and the court established under subsection 103(a) shall retain an order issued under this section for a period of not less than 10 years from the date on which such order is issued.

''(5) ASSESSMENT OF COMPLIANCE WITH COURT ORDER.—At or before the end of the period of time for which an acquisition is approved by an order or an extension under this section, the court established under section 103(a) shall, not less frequently than once each quarter, assess compliance with the procedures and guidelines referred to in paragraph (1)(E) and review the circumstances under which information concerning United States persons was acquired, retained, or disseminated.''.

SEC. 4. EMERGENCY AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES.

Section 105C of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended to read as follows:

''EMERGENCY AUTHORIZATION OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES

''SEC. 105C. (a) APPLICATION AFTER EMERGENCY AUTHORIZATION.—As soon as is practicable, but not more than 7 days after the Director of National Intelligence and the Attorney General authorize an acquisition under this section, an application for an order authorizing the acquisition in accordance with section 105B shall be submitted to the judge referred to in subsection (b)(2) of this section for approval of the acquisition in accordance with section 105B.

''(b) EMERGENCY AUTHORIZATION.—Notwithstanding any other provision of this Act, the Director of National Intelligence and the Attorney General may jointly authorize the emergency acquisition of foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e)) for a period of not more than 45 days if—

''(1) the Director of National Intelligence and the Attorney General jointly determine that—

''(A) an emergency situation exists with respect to an authorization for an acquisition under section 105B before an order approving the acquisition under such section can with due diligence be obtained;

''(B) the targets of the acquisition of foreign intelligence information under this section are persons reasonably believed to be located outside the United States;

''(C) the targets of the acquisition are reasonably believed to be persons that are not United States persons;

''(D) there are procedures in place that will be used by the Director of National Intelligence and the Attorney General during the duration of the authorization to determine if there is a reasonable belief that the persons that are the targets of the acquisition are located outside the United States and not United States persons;

''(E) the acquisition involves obtaining the foreign intelligence information from, or with the assistance of, a communications service provider or custodian, or an officer, employee, or agent of such service provider or custodian, who has authorized access to the communications to be acquired, either as they are transmitted or while they are stored, or equipment that is being or may be used to transmit or store such communications;

''(F) a significant purpose of the acquisition is to obtain foreign intelligence information (as defined in paragraph (1) or (2)(A) of section 101(e));

''(G) minimization procedures to be used with respect to such acquisition activity meet the definition of minimization procedures under section 101(h); and

''(H)(i) there are guidelines that will be used to ensure that an application is filed under secion 104, if otherwise required by this Act, when a significant purpose of an acquisition is to acquire the communications of a specific United States person reasonably believed to be located in the United States; and

''(ii) the criteria for determining if such a significant purpose exists require consideration of whether—

''(I) the department or agency of the Federal Government conducting the acquisition has made an inquiry to another department or agency of the Federal Government to gather information on the specific United States person;

''(II) the department or agency of the Federal Government conducting the acquisition has provided information that identifies the specific United States person to another department or agency of the Federal Government;

''(III) the department or agency of the Federal Government conducting the acquisition determines that the United States person has been the subject of ongoing interest or repeated investigation by a department or agency of the Federal Government; and

''(IV) the specific United States person is a natural person.

''(2) the Director of National Intelligence and the Attorney General, or their designees, inform a judge having jurisdiction to approve an acquisition under section 105B at the time of the authorization under this section that the decision has been made to acquire foreign intelligence information.

''(c) INFORMATION, FACILITIES, AND TECHNICAL ASSISTANCE.—

''(1) DIRECTIVE.—Pursuant to an authorization of an acquisition under this section, the Attorney General may direct a communications service provider, custodian, or an officer, employee, or agent of such service provider or custodian, who has the lawful authority to access the information, facilities, or technical assistance necessary to accomplish such acquisition to—

''(A) furnish the Attorney General forthwith with such information, facilities, or technical assistance in a manner that will protect the secrecy of the acquisition and produce a minimum of interference with the services that provider, custodian, officer, employee, or agent is providing the target of the acquisition; and

''(B) maintain under security procedures approved by the Attorney General and the Director of National Intelligence any records concerning the acquisition or the aid furnished.

''(2) PARAMETERS; CERTIFICATIONS.—The Attorney General shall provide to any person directed to provide assistance under paragraph (1) with—

''(A) a document setting forth the parameters of the directive;

''(B) a certification stating that—

''(i) the emergency authorization has been issued pursuant to this section;

''(ii) all requirements of this section have been met;

''(iii) a judge has been informed of the emergency authorization in accordance with subsection (b)(2); and

''(iv) an application will be submitted in accordance with subsection (a); and

''(C) a certification that the recipient of the directive shall be compensated, at the prevailing rate, for providing information, facilities, or assistance pursuant to such directive.''.

SEC. 5. OVERSIGHT OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES.

The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by inserting after section 105C the following new section:

''OVERSIGHT OF ACQUISITIONS OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES

''SEC. 105D. (a) APPLICATION; PROCEDURES; ORDERS.—Not later than 7 days after an application is submitted under section 105B(a) or an order is issued under section 105B(e), the Director of National Intelligence and the Attorney General shall submit to the appropriate committees of Congress—

''(1) in the case of an application—

''(A) a copy of the application, including the certification made under section 105B(b)(1); and

''(B) a description of the primary purpose of the acquisition for which the application is submitted; and

''(2) in the case of an order, a copy of the order, including the procedures and guidelines referred to in section 105B(e)(1)(E).

''(b) REGULAR AUDITS.—

''(1) AUDIT.—Not later than 120 days after the date of the enactment of this section, and every 120 days thereafter until the expiration of all orders issued under section 105B, the Inspector General of the Department of Justice shall complete an audit on the implementation of and compliance with the procedures and guidelines referred to in section 105B(e)(1)(E) and shall submit to the appropriate committees of Congress, the Attorney General, the Director of National Intelligence, and the court established under section 103(a) the results of such audit, including, for each order authorizing the acquisition of foreign intelligence under section 105B—

''(A) the number of targets of an acquisition under such order that were later determined to be located in the United States;

''(B) the number of persons located in the United States whose communications have been acquired under such order;

''(C) the number and nature of reports disseminated containing information on a United States person that was collected under such order; and

''(D) the number of applications submitted for approval of electronic surveillance under section 104 for targets whose communications were acquired under such order.

''(2) REPORT.—Not later than 30 days after the completion of an audit under paragraph (1), the Attorney General shall submit to the appropriate committees of Congress and the court established under section 103(a) a report containing the results of such audit.

''(c) COMPLIANCE REPORTS.—Not later than 60 days after the date of the enactment of this section, and every 120 days thereafter until the expiration of all orders issued under section 105B, the Director of National Intelligence and the Attorney General shall submit to the appropriate committees of Congress and the court established under section 103(a) a report concerning acquisitions under section 105B during the previous 120-day period. Each report submitted under this section shall include a description of any incidents of non-compliance with an order issued under section 105B(e), including incidents of non-compliance by—

''(1) an element of the intelligence community with procedures referred to in section 105B(e)(1)(E)(i);

''(2) an element of the intelligence community with procedures referred to in section 105B(e)(1)(E)(ii);

''(3) an element of the intelligence community with guidelines referred to in section 105B(e)(1)(E)(iii); and

''(4) a person directed to provide information, facilities, or technical assistance under such order.

''(d) REPORT ON EMERGENCY AUTHORITY.—The Director of National Intelligence and the Attorney General shall annually submit to the appropriate committees of Congress a report containing the number of emergency authorizations of acquisitions under section 105C and a description of any incidents of non-compliance with an emergency authorization under such section.

''(e) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term 'appropriate committees of Congress' means—

''(1) the Permanent Select Committee on Intelligence of the House of Representatives;

''(2) the Select Committee on Intelligence of the Senate; and

''(3) the Committees on the Judiciary of the House of Representatives and the Senate.''.

SEC. 6. DISSEMINATION OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES.

The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by inserting after section 105D (as added by section 5) the following new section:

''DISSEMINATION OF COMMUNICATIONS OF NON-UNITED STATES PERSONS LOCATED OUTSIDE OF THE UNITED STATES WHO MAY BE COMMUNICATING WITH PERSONS INSIDE THE UNITED STATES

''SEC. 105E. The contents of communications collected under section 105B or section 105C, and intelligence reports based on such contents, shall not be disclosed or disseminated with information that identifies a United States person unless an officer or employee of the Federal Government whose rate of basic pay is not less than the minimum rate payable under section 5382 of title 5, United States Code (relating to rates of pay for the Senior Executive Service) determines that the identity of the United States person is necessary to—

''(1) understand the foreign intelligence collected under section 105B or 105C or assess the importance of such intelligence; and

''(2) protect the national security of the United States, the citizens, employees, or officers of the United States, or the members of the United States Armed Forces.''.

SEC. 7. FOREIGN INTELLIGENCE SURVEILLANCE COURT EN BANC.

Section 103 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803) is amended by adding at the end the following new subsection:

''(g) In any case where the court established under subsection (a) or a judge of such court is required to review a matter under this Act, the court may, at the discretion of the court, sit en banc to review such matter and issue any orders related to such matter.''.

SEC. 8. FOREIGN INTELLIGENCE SURVEILLANCE COURT MATTERS.

(a) AUTHORITY FOR ADDITIONAL JUDGES.—Section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) in paragraph (1) (as so designated)—

(A) by striking ''11'' and inserting ''15''; and

(B) by inserting ''at least'' before ''seven of the United States judicial circuits''; and

(3) by designating the second sentence as paragraph (3) and indenting such paragraph, as so designated two ems from the left margin.

(b) CONSIDERATION OF EMERGENCY APPLICATIONS.—Such section is further amended by inserting after paragraph (1) (as designated by subsection (a)(1)) the following new paragraph:

''(2) A judge of the court shall make a determination to approve, deny, or modify an application submitted pursuant to section 105(f), section 304(e), or section 403 not later than 24 hours after the receipt of such application by the court.''.

SEC. 9. REITERATION OF FISA AS THE EXCLUSIVE MEANS BY WHICH ELECTRONIC SURVEILLANCE MAY BE CONDUCTED FOR GATHERING FOREIGN INTELLIGENCE INFORMATION.

(a) EXCLUSIVE MEANS.—Notwithstanding any other provision of law, the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) shall be the exclusive means by which electronic surveillance may be conducted for the purpose of gathering foreign intelligence information.

(b) SPECIFIC AUTHORIZATION REQUIRED FOR EXCEPTION.—Subsection (a) shall apply until specific statutory authorization for electronic surveillance, other than as an amendment to the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.), is enacted. Such specific statutory authorization shall be the only exception to subsection (a).

SEC. 10. ENHANCEMENT OF ELECTRONIC SURVEILLANCE AUTHORITY IN WARTIME AND OTHER COLLECTION.

Sections 111, 309, and 404 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1811, 1829, and 1844) are amended by striking ''Congress'' and inserting ''Congress or an authorization for the use of military force described in section 2(c)(2) of the War Powers Resolution (50 U.S.C. 1541(c)(2)) if such authorization contains a specific authorization for foreign intelligence collection under this section, or if the Congress is unable to convene because of an attack upon the United States.''.

SEC. 11. AUDIT OF WARRANTLESS SURVEILLANCE PROGRAMS.

(a) AUDIT.—Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Department of Justice shall complete an audit of all programs of the Federal Government involving the acquisition of communications conducted without a court order on or after September 11, 2001, including the Terrorist Surveillance Program referred to by the President in a radio address on December 17, 2005. Such audit shall include acquiring all documents relevant to such programs, including memoranda concerning the legal authority of a program, authorizations of a program, certifications to telecommunications carriers, and court orders.

(b) REPORT.—

(1) IN GENERAL.—Not later than 30 days after the completion of the audit under subsection (a), the Inspector General shall submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report containing the results of such audit, including all documents acquired pursuant to conducting such audit.

(2) FORM.—The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) EXPEDITED SECURITY CLEARANCE.—The Director of National Intelligence shall ensure that the process for the investigation and adjudication of an application by the Inspector General or the appropriate staff of the Office of the Inspector General of the Department of Justice for a security clearance necessary for the conduct of the audit under subsection (a) is conducted as expeditiously as possible.

SEC. 12. RECORD-KEEPING SYSTEM ON ACQUISITION OF COMMUNICATIONS OF UNITED STATES PERSONS.

(a) RECORD-KEEPING SYSTEM.—The Director of National Intelligence and the Attorney General shall jointly develop and maintain a record-keeping system that will keep track of—

(1) the instances where the identity of a United States person whose communications were acquired was disclosed by an element of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)) that collected the communications to other departments or agencies of the United States; and

(2) the departments and agencies of the Federal Government and persons to whom such identity information was disclosed.

(b) REPORT.—The Director of National Intelligence and the Attorney General shall annually submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report on the record-keeping system created under subsection (a), including the number of instances referred to in paragraph (1).

SEC. 13. AUTHORIZATION FOR INCREASED RESOURCES RELATING TO FOREIGN INTELLIGENCE SURVEILLANCE.

(a) IN GENERAL.—There are authorized to be appropriated to the Department of Justice, for the activities of the Office of the Inspector General and the appropriate elements of the National Security Division, and to the National Security Agency such sums as may be necessary to meet the personnel and information technology demands to ensure the timely and efficient processing of—

(1) applications and other submissions to the court established under section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a));

(2) the audit and reporting requirements under—

(A) section 105D of such Act; and

(B) section 10; and

(3) the record-keeping system and reporting requirements under section 8.

(b) ADDITIONAL PERSONNEL FOR PREPARATION AND CONSIDERATION OF APPLICATIONS FOR ORDERS APPROVING ELECTRONIC SURVEILLANCE AND PHYSICAL SEARCH.—

(1) NATIONAL SECURITY DIVISION OF THE DEPARTMENT OF JUSTICE.—

(A) ADDITIONAL PERSONNEL.—The National Security Division of the Department of Justice is hereby authorized such additional personnel as may be necessary to carry out the prompt and timely preparation, modification, and review of applications under Foreign Intelligence Surveillance Act of 1978 for orders under that Act for foreign intelligence purposes.

(B) ASSIGNMENT.—The Attorney General shall assign personnel authorized by paragraph (1) to and among appropriate offices of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) in order that such personnel may directly assist personnel of the Intelligence Community in preparing applications described in that paragraph and conduct prompt and effective oversight of the activities of such agencies under Foreign Intelligence Surveillance Court orders.

(2) DIRECTOR OF NATIONAL INTELLIGENCE.—

(A) ADDITIONAL LEGAL AND OTHER PERSONNEL.—The Director of National Intelligence is hereby authorized such additional legal and other personnel as may be necessary to carry out the prompt and timely preparation of applications under the Foreign Intelligence Surveillance Act of 1978 for orders under that Act approving electronic surveillance for foreign intelligence purposes.

(B) ASSIGNMENT.—The Director of National Intelligence shall assign personnel authorized by paragraph (1) to and among the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))), including the field offices of the Federal Bureau of Investigation, in order that such personnel may directly assist personnel of the intelligence community in preparing applications described in that paragraph.

(3) ADDITIONAL LEGAL AND OTHER PERSONNEL FOR FOREIGN INTELLIGENCE SURVEILLANCE COURT.—There is hereby authorized for the court established under section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a)) such additional staff personnel as may be necessary to facilitate the prompt and timely consideration by that court of applications under such Act for orders under such Act approving electronic surveillance for foreign intelligence purposes. Personnel authorized by this paragraph shall perform such duties relating to the consideration of such applications as that court shall direct.

(4) SUPPLEMENT NOT SUPPLANT.—The personnel authorized by this section are in addition to any other personnel authorized by law.

SEC. 14. DOCUMENT MANAGEMENT SYSTEM FOR APPLICATIONS FOR ORDERS APPROVING ELECTRONIC SURVEILLANCE.

(a) SYSTEM REQUIRED.—The Attorney General shall, in consultation with the Director of National Intelligence and the Foreign Intelligence Surveillance Court, develop and implement a secure, classified document management system that permits the prompt preparation, modification, and review by appropriate personnel of the Department of Justice, the Federal Bureau of Investigation, the National Security Agency, and other applicable elements of the United States Government of applications under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1804) before their submission to the Foreign Intelligence Surveillance Court.

(b) SCOPE OF SYSTEM.—The document management system required by subsection (a) shall—

(1) permit and facilitate the prompt submittal of applications to the Foreign Intelligence Surveillance Court under the Foreign Intelligence Surveillance Act of 1978; and

(2) permit and facilitate the prompt transmittal of rulings of the Foreign Intelligence Surveillance Court to personnel submitting applications described in paragraph (1), and provide for the secure electronic storage and retrieval of all such applications and related matters with the court and for their secure transmission to the National Archives and Records Administration.

SEC. 15. TRAINING OF INTELLIGENCE COMMUNITY PERSONNEL IN FOREIGN INTELLIGENCE COLLECTION MATTERS.

The Director of National Intelligence shall, in consultation with the Attorney General—

(1) develop regulations to establish procedures for conducting and seeking approval of electronic surveillance, physical search, and the installation and use of pen registers and trap and trace devices on an emergency basis, and for preparing and properly submitting and receiving applications and orders under the Foreign Intelligence Surveillance Act of 1978; and

(2) prescribe related training on the Foreign Intelligence Surveillance Act of 1978 and related legal matters for the personnel of the applicable agencies of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))).

SEC. 16. INFORMATION FOR CONGRESS ON THE TERRORIST SURVEILLANCE PROGRAM AND SIMILAR PROGRAMS.

As soon as practicable after the date of the enactment of this Act, but not later than seven days after such date, the President shall fully inform each member of the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate on the following:

(1) The Terrorist Surveillance Program of the National Security Agency.

(2) Any program in existence from September 11, 2001, until the effective date of this Act that involves, whether in part or in whole, the electronic surveillance of United States persons in the United States for foreign intelligence or other purposes, and which is conducted by any department, agency, or other element of the United States Government, or by any entity at the direction of a department, agency, or other element of the United States Government, without fully complying with the procedures set forth in the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) or chapter 119, 121, or 206 of title 18, United States Code.

SEC. 17. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF CONTENTS.—The table of contents in the first section of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended by striking the items relating to sections 105A, 105B, and 105C and inserting the following new items:

''Sec. 105A. Clarification of electronic surveillance of non-United States persons outside the United States.

''Sec. 105B. Additional authorization of acquisitions of communications of non-United States persons located outside the United States who may be communicating with persons inside the United States.

''Sec. 105C. Emergency authorization of acquisitions of communications of non-United States persons located outside the United States who may be communicating with persons inside the United States.

''Sec. 105D. Oversight of acquisitions of communications of non-United States persons located outside of the United States who may be communicating with persons inside the United States.''.

(b) SECTION 103(e) OF FISA.—Section 103(e) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(e)) is amended—

(1) in paragraph (1), by striking ''105B(h) or''; and

(2) in paragraph (2), by striking ''105B(h) or''.

(c) REPEAL OF CERTAIN PROVISIONS OF THE PROTECT AMERICA ACT OF 2007.—Sections 4 and 6 of the Protect America Act (Public Law 110-55) are hereby repealed.

SEC. 18. SUNSET; TRANSITION PROCEDURES.

(a) SUNSET OF NEW PROVISIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), effective on December 31, 2009—

(A) sections 105A, 105B, 105C, and 105D of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) are hereby repealed; and

(B) the table of contents in the first section of such Act is amended by striking the items relating to sections 105A, 105B, 105C, and 105D.

(2) ACQUISITIONS AUTHORIZED PRIOR TO SUNSET.—Any authorization or order issued under section 105B of the Foreign Intelligence Surveillance Act of 1978, as amended by this Act, in effect on December 31, 2009, shall continue in effect until the date of the expiration of such authorization or order.

(b) ACQUISITIONS AUTHORIZED PRIOR TO ENACTMENT.—

(1) EFFECT.—Notwithstanding the amendments made by this Act, an authorization of the acquisition of foreign intelligence information under section 105B of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) made before the date of the enactment of this Act shall remain in effect until the date of the expiration of such authorization or the date that is 180 days after such date of enactment, whichever is earlier.

(2) REPORT.—Not later than 30 days after the date of the expiration of all authorizations of acquisition of foreign intelligence information under section 105B of the Foreign Intelligence Surveillance Act of 1978 (as added by Public Law 110–55) made before the date of the enactment of this Act in accordance with paragraph (1), the Director of National Intelligence and the Attorney General shall submit to the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives and the Select Committee on Intelligence and the Committee on the Judiciary of the Senate a report on such authorizations, including—

(A) the number of targets of an acquisition under section 105B of such Act (as in effect on the day before the date of the enactment of this Act) that were later determined to be located in the United States;

(B) the number of persons located in the United States whose communications have been acquired under such section;

(C) the number of reports disseminated containing information on a United States person that was collected under such section;

(D) the number of applications submitted for approval of electronic surveillance under section 104 of such Act based upon information collected pursuant to an acquisition authorized under section 105B of such Act (as in effect on the day before the date of the enactment of this Act); and

(E) a description of any incidents of non-compliance with an authorization under such section, including incidents of non-compliance by—

(i) an element of the intelligence community with procedures referred to in subsection (a)(1) of such section;

(ii) an element of the intelligence community with minimization procedures referred to in subsection (a)(5) of such section; and

(iii) a person directed to provide information, facilities, or technical assistance under subsection (e) of such section.

(3) INTELLIGENCE COMMUNITY DEFINED.—In this subsection, the term ''intelligence community'' has the meaning given the term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 19. CERTIFICATION TO COMMUNICATIONS SERVICE PROVIDERS THAT ACQUISITIONS ARE AUTHORIZED UNDER FISA.

(a) AUTHORIZATION UNDER SECTION 102.—Section 102(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1802(a)) is amended by striking ''furnishing such aid'' and inserting ''furnishing such aid and shall provide such carrier with a certification stating that the electronic surveillance is authorized under this section and that all requirements of this section have been met''.

(b) AUTHORIZATION UNDER SECTION 105.—Section 105(c)(2) of such Act (50 U.S.C. 1805(c)(2)) is amended—

(1) in subparagraph (C), by striking ''; and'' and inserting '';'';

(2) in subparagraph (D), by striking ''aid.'' and inserting ''aid; and''; and

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

''(E) that the applicant provide such carrier, landlord, custodian, or other person with a certification stating that the electronic surveillance is authorized under this section and that all requirements of this section have been met.''.

SEC. 20. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 109 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1809) is amended by adding at the end the following new subsection:

(e) STATUTE OF LIMITATIONS.—No person shall be prosecuted, tried, or punished for any offense under this section unless the indictment is found or the information is instituted not later than 10 years after the commission of the offense.''.

(b) APPLICATION.—The amendment made by subsection (a) shall apply to any offense committed before the date of the enactment of this Act if the statute of limitations applicable to that offense has not run as of such date.

SEC. 21. NO RIGHTS UNDER THE RESTORE ACT FOR UNDOCUMENTED ALIENS.

This Act and the amendments made by this Act shall not be construed to prohibit surveillance of, or grant any rights to, an alien not permitted to be in or remain in the United States.

SEC. 22. SURVEILLANCE TO PROTECT THE UNITED STATES.

This Act and the amendments made by this Act shall not be construed to prohibit the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) from conducting lawful surveillance that is necessary to—

(1) prevent Osama Bin Laden, al Qaeda, or any other terrorist or terrorist organization from attacking the United States, any United States person, or any ally of the United States;

(2) ensure the safety and security of members of the United States Armed Forces or any other officer or employee of the Federal Government involved in protecting the national security of the United States; or

(3) protect the United States, any United States person, or any ally of the United States from threats posed by weapons of mass destruction or other threats to national security.

The SPEAKER pro tempore. Time for debate pursuant to House Resolution 746 is considered expired.

Pursuant to House Resolution 824, debate shall not exceed 1 hour, with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary and 30 minutes equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence.

The gentleman from Michigan (Mr. CONYERS) and the gentleman from Texas (Mr. SMITH) each will control 15 minutes and the gentleman from Texas (Mr. REYES) and the gentleman from Michigan (Mr. HOEKSTRA) each will control 15 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CONYERS).

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 3773.

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

There was no objection.

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

Members of the House, the RESTORE Act dealing with FISA addresses the needs of the intelligence community for flexibility in dealing with modern communications networks.

□ 1815

It received the most careful scrutiny and consideration by this Committee on the Judiciary, as well as by the Intelligence Committee, chaired by Chairman REYES, to ensure that it meets every concern our intelligence agencies have raised, every single one of them, and does so consistent with the rules of law, our Constitution, and our values.

Let's begin this discussion this evening by clearing up a few things that the bill will not do. The RESTORE Act will never require our intelligence agencies to stop listening to the bad guys. Never. Special emergency provisions allow us to listen first and get the warrant after the fact, if it's needed. No one will ever have to stop listening to a terrorist plotting an attack. I hope I don't hear that raised on the floor this evening.

The RESTORE Act will not make our intelligence agencies have to get thousands of warrants for terrorists outside the country. It will not do that. Instead, a basket authorization will permit surveillance of an entire foreign terrorist organization. This is the most effective way to target Osama bin Laden, al Qaeda, and other threats to our country and our citizens.

The RESTORE Act does not give the government free rein to listen to Americans. As has always been the case under FISA, this bill requires that the government get a warrant to target an American; any American. We have also a manager's amendment, which continues to promote the goals of intelligence flexibility with appropriate oversight, while safeguarding our security and our liberty. It makes clear that the protections of the act will not inhibit gathering intelligence against present dangers, such as Osama bin Laden, or threats to our troops in the field.

It does provide guidelines to make it easier to determine when the significant purpose of the surveillance act is to acquire information on a United States person and a FISA warrant is needed. It provides important safeguards on dissemination of information about individual Americans when it's acquired under the RESTORE Act's more flexible structure. Specifically, an SES-level manager will review such dissemination on a particularized basis.

Importantly, the RESTORE Act has no retroactive immunity for telecommunications carriers who may have assisted the government in conducting unlawful surveillance on Americans. I am sorry to report to you that the other body has a measure that does give that retroactive immunity. The RESTORE Act now on the floor has no retroactive immunity for telecommunications carriers who may have assisted the government in unlawful surveillance on Americans.

Until we receive the information, the data, the letters that we have requested to know what they have done, information we have been waiting for more than 10 months for, we can't even begin to responsibly consider such a request. So as of now, it's out. No retroactive immunity.

The legislation that we have before us now is a much-needed start to restoring our system of checks and balances, preserving our liberty, and ensuring that our government has the tools they legitimately need to combat terrorism. We got pressed up against the wall in August. It's not going to happen again. There's a 6-month run on the present measure before us. Before we get pushed up against the holidays, we are saying, Let's do it now.

We have had a tremendous working relationship with the chairman of the Intelligence Committee, SILVESTRE REYES, and his staff and my staff. Majority and minority have been working

closely together to bring to you a commonsense and balanced piece of legislation that does what we set out to do, and that is to preserve our liberties and make sure we have effective security. We want our intelligence agencies strong, but we want to bring the FISA Court back into the picture, and we do in the measure before us.

Six years ago, the administration unilaterally chose to engage in warrantless surveillance of American citizens without court review. That decision has—to be charitable—created a legal and political quagmire. Officials resigned, the program was riddled with errors, it was shut down for several weeks, officials rushed to the hospital to ask a sick man to reauthorize it over his deputy's objections, and vital prosecutorial resources were diverted. Most importantly, our own citizens questioned wheher their own government was operating within the confines of the law.

Two months ago, when that scheme appeared to be breaking down, the administration forced Congress to accept an equally flawed statute. This new law gutted the power of the FISA court. It granted the administration broad new powers to engage in warrantless searches within the U.S., including physical searches of our homes, computers, offices and medical records. The law contained no meaningful oversight whatsoever.

The legislation before us today seeks to once again strike the appropriate balance between needed government authority and our precious rights and liberties. It tells the government they need no warrant when foreign agents communicate with other foreigners. It reiterates that warrants are needed when Americans are being targeted. The bill also allows the interception of communications of foreign targets who may communicate with U.S. persons. However, it insists that procedures be in place—approved by the FISA court—to insure that no American is being targeted, and that his or her privacy is protected.

The bill also provides for several critical safeguards. We include periodic audits by the Inspector General, we narrow the scope of the authority to protect against threats to our national security, and we protect the privacy of Americans traveling abroad. We also sunset the legislation in December 2009.

The RESTORE Act, which has received careful consideration by the Judiciary Committee and by the Intelligence Committee, addresses the needs of the intelligence community for flexibility and the ability to deal with modern communications networks.

It meets every concern that our intelligence agencies have raised and does so consistent with the rule of law, our Constitution, and our values.

Let me be clear on a few things this bill will NOT do:

The RESTORE Act will never require our intelligence agencies to stop listening to the bad guys. Never. There are emergency provisions and the ability to get a warrant after the fact. No one will ever have to stop listening to a terrorist plotting an attack.

It will not make our intelligence agencies get thousands of warrants for terrorists outside of the country. Instead, they can get a basket authorization to surveil the entire foreign terrorist organization. This is the most effective way to target Osama bin Laden, al Qaeda, and other threats.

The RESTORE Act does not give the government free rein to listen in to Americans. As has always been the case under FISA, this bill requires the government to get a warrant if it wants to target an American.

The Managers' Amendment also reflects the RESTORE Act's goals of intelligence flexibility and oversight, while ensuring both safety and civil liberties. It makes it clear that the protections of the Act will not inhibit gathering intelligence against present dangers, such as Osama bin Laden or threats to our troops in the field. It provides guidelines to flesh out what should be considered when determining whether a significant purpose of collection is to acquire information about a U.S. person, such that a FISA warrant would be required.

The Manager's Amendment also provides important safeguards on dissemination of information about individual Americans when it is acquired under the RESTORE Act's more flexible structure. Dissemination of U.S. person communications acquired under the RESTORE Act's basket authorities can only happen when an SES-level supervisor determines that the identity of that person is needed to understand or assess the importance of the foreign intelligence, and to protect the national security of the United States. This is not a blanket authorization to unmask everyone intercepted, but must be done on a person-by-person basis.

Importantly, the bill has no retroactive immunity for telecommunications carriers. Until we receive the underlying documents relating to their conduct from the administration—and we have been waiting for more than ten months—we cannot even begin to consider this request. Sending a small set of the documents to a subcommittee of the other body does not begin to meet this test.

There is one of the grave concerns about the Protect America Act that bears mention as we consider the RESTORE Act. The Protect America Act was overbroad in the types of entities from which the government could compel information, reaching into business or medical records or libraries. We have narrowed the scope of the acquisitions in the RESTORE Act to ensure that the government can only seek information under the ''basket authorizations'' from telecommunications service providers and related companies.

I share the concern of our library community that believes their mission and the chance to bring knowledge and freedom of expression abroad will be diminished if the U.S. government can indiscriminately monitor American libraries when they serve foreign users. This is not a hypothetical concern in an age of distance learning. While a library certainly is not the same kind of ''communications service provider'' as AOL or AT&T, it may allow patrons to access the internet, to send emails, and to conduct research on-line, so it literally ''provides'' these communications services to patrons. The Judiciary Committee report indicates that these now-standard library services do not make them ''telecommunications service providers'' for a 105B or 105C acquisition, but let me be clear—nothing in the bill is intended to leave libraries outside of the protections of the Foreign Intelligence Surveillance Act.

The legislation before us today is a much needed start to restoring our system of checks and balances, to preserving our precious liberties, and to insuring that our government has all the tools they legitimately need to combat terrorism. I urge my colleagues on both sides of the aisle to support this common sense and balanced legislation.

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

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is a time and place for politics and partisanship. But there are in fact important issues that transcend politics. The security of our Nation outweighs politics, especially when our country is at war.

One of the finest moments of bipartisanship in Washington came after one of the darkest days in our history. On the evening of September 11, 2001, Members of Congress stood shoulder to shoulder on the steps of the Capitol as a symbol of strength and unity in response to the terrorist attacks. In that moment, we stood together, not as Republicans or Democrats, but as Americans resolved to protect our Nation. However, as we stand here today, that same spirit of bipartisanship we shared on 9/11 no longer exists.

We began in August to address a very specific and very urgent issue facing our intelligence community. We learned from the Director of National Intelligence, Admiral McConnell, that the Foreign Intelligence Surveillance Act, or FISA, was outdated for today's technology. But the bill we are considering today does not modernize FISA; it weakens it. Why, after 30 years of lawful foreign intelligence collection, does the Democratic majority suddenly object to a law that their party originally enacted in 1978? Why make it harder to gather intelligence on terrorists after 9/11 than before?

Now, after only a few hours' notice, we are considering the RESTORE Act, which actually restores little. Rather, it undermines our national security and increases the risk of a future terrorist attack on our country. It prevents our intelligence community from gathering critical intelligence information. It ignores the need for legal protection for communications companies that assist law enforcement and intelligence officials. We are at war with terrorists who spend every day plotting attacks against us. Our intelligence community needs to detect and disrupt these plots. To deny this ability could have catastrophic consequences.

Admiral McConnell testified in great detail before the Judiciary Committee about the specific needs of the intelligence community and the need to reform FISA. Admiral McConnell's recommendations are ignored, unfortunately, in the RESTORE Act. Instead, it requires the intelligence community to obtain FISA court orders for all communications of persons reasonably believed to be outside the United States. FISA has never applied to persons outside of the United States.

Under the RESTORE Act, FISA court orders will be required for the first time ever for thousands of overseas terrorist targets. Also, section 18 of the

manager's amendment is bluntly titled: ''No Rights Under the RESTORE Act for Undocumented Aliens.'' That is what it says. But the practical effect of the RESTORE Act will be to allow unregulated, warrantless wiretapping of illegal immigrants in the United States. Is this really what the Democratic majority intends?

Finally, the RESTORE Act omits any liability protection for telephone companies and other carriers that assisted the government after September 11, 2001. These companies deserve our thanks, not a flurry of harassing lawsuits. Communications technology has changed since 1978. We can no longer gather foreign intelligence without the assistance of private communications companies. Extending commonsense liability protection to communication providers who acted in good faith to protect the United States from another terrorist attack is completely appropriate. If we fail to provide this protection, we risk losing the future cooperation of communication providers in gathering foreign intelligence.

Democrats made a promise to the American people in 2006 that Members of Congress would put aside politics and work together to find bipartisan solutions to issues facing the American people. That promise has apparently been broken.

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

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

Mr. Speaker, I rise once again in support of H.R. 3773, the RESTORE Act. I would also like the RECORD to reflect that Congressman BARON HILL intended to be listed as a cosponsor of H.R. 3773, and we are certainly grateful for his support.

In early September, at the direction of Speaker PELOSI, the Intelligence Committee and the House Judiciary Committee took up the call to improve the Protect America Act, or PAA. Passed in August, the PAA modified FISA and gave sweeping and unprecedented surveillance powers to the executive branch, while requiring minimal oversight and without providing a meaningful judicial check on the President's use of the new powers.

While we were charged with undoing the excesses of PAA, we also have the mandate to provide our intelligence professionals the legal authorities required to protect the country from our enemies. Six years after the tragic attacks of 9/11, Osama bin Laden remains at large and America continues to face threats from al Qaeda and other terrorist organizations. The war in Iraq continues to act as a recruitment tool for all our enemies.

Mindful of these threats, we drafted the RESTORE Act as a bill that we can all support and be proud of. The RESTORE Act arms our intelligence community with powerful new authorities to conduct electronic surveillance of targets outside the United States while maintaining our fundamental liberties. First, it exempts truly foreign-to-foreign communications from any judicial review, even when the communication passes through the United States or the surveillance device is still actually located in the United States. Second, it authorizes the acquisition of foreign intelligence information for all matters of national defense, including information relating to terrorism, espionage, sabotage, and other threats to the national security of our country.

Third, the act clarifies that nothing in the act or the amendments to the act shall be construed to prohibit lawful surveillance necessary to prevent Osama bin Laden, al Qaeda, or any other terrorist organization from attacking the United States or our allies. But these powerful authorities are subject to the checks and the balances required by our Constitution.

The RESTORE Act puts the FISA Court back in business where the rights of Americans are at stake. The RESTORE Act tightens overbroad language in the PAA that authorized physical searches of Americans' homes and offices without a warrant. The RESTORE Act restores meaningful, robust, and continuous oversight by the judicial and legislative branches to ensure that the powerful intelligence-gathering tools authorized by the RESTORE Act are being used effectively and within the boundaries set by our Constitution.

In sum, the RESTORE Act provides tools to keep the Nation safe and upholds our constitutional liberties. This debate has gone on long enough, I believe, Mr. Speaker. It has been unnecessarily prolonged bipartisan maneuvering from some in this House. I am sure that we will see more of that partisan gamesmanship tonight. But I urge my colleagues to reject partisan politics in favor of sound policy and support this critically important bill.

I urge all my colleagues to vote ''yes'' for the RESTORE Act.

With that, I reserve the balance of my time.

□ 1830

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. FORBES), the ranking member of the Crime Subcommittee of the Judiciary Committee.

Mr. FORBES. Mr. Speaker, unfortunately some things never change, and unfortunately this bill happens to be one of them. No matter how dangerous law enforcement says this bill is, it hasn't changed. No matter how dangerous the intelligence community says it is, this bill hasn't changed. And unfortunately there is a cycle that won't change either, and that cycle is simply this.

In the nineties, we cut our intelligence capabilities. On 9/11/2001, we had the worst terrorist attack that has ever hit our shores. Since that time our intelligence community and our law enforcement people have worked hard and they have kept us safe. But if we have another hit, and this bill puts us on the same cycle, because what are we doing now? We are cutting our intelligence capabilities once again, like we did in the nineties. If we have another terrorist attack, the cycle will repeat itself, and they will bring back in law enforcement and they will point their fingers and they will say, why didn't you stop it?

Mr. Speaker, we have an opportunity tonight not to repeat that cycle by not passing this bill and making the amendments necessary to keep our intelligence strong.

Mr. CONYERS. Mr. Speaker, I am pleased now to recognize a very effective member of our committee, Mr. SCHIFF of California, as well as the gentleman Mr. FLAKE of Arizona, and I would yield them 2 minutes.

Mr. SCHIFF. I thank the chairman for yielding and for his leadership.

Over the last 2 years, I have worked with my Republican colleague JEFF FLAKE of Arizona to ensure that the government has all the tools necessary to pursue al Qaeda and all the other terrorists who would seek to harm our country while ensuring that the requirement of court approval of surveillance of Americans on American soil is met.

I am pleased that the committee has included many of the items we proposed, including reiterating FISA's exclusivity, providing robust oversight reporting, requiring FISA Court involvement when U.S. persons are involved, and clarifying that the interception of foreign-to-foreign communications does not require a court order.

To address a concern raised by Mr. FLAKE, our language makes clear that a court order would not be required for electronic surveillance directed at the acquisition of communications between persons that are not known to be U.S. persons and are reasonably believed to be located outside the U.S., without respect to whether the communication passes through the U.S. or the surveillance device is located in the U.S.

We have also placed additional safeguards to ensure this section is not abused and used to acquire communications of U.S. persons.

I am pleased to yield the balance of my time to my colleague.

Mr. FLAKE. I thank the gentleman for yielding. I have enjoyed working with Representative SCHIFF on this, and I thank the committee for addressing our concerns. Our concerns had to do mostly, my own concern in particular, with making sure that we are not involving a court when you are talking about foreign-to-foreign communications or communications between persons who are not known to be U.S. residents or not known or reasonably believed to be within the U.S. I believe those concerns were addressed here, and I appreciate the work that was done to do that.

As mentioned, our language also requires that if a U.S. citizen is inadvertently tripped up in the communication, that proper procedures are taken to deal with that and that the information is disseminated to the right people and committees. So I appreciate the committee's work on this.

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GOHMERT), the deputy ranking member of the Crime Subcommittee of the Judiciary Committee.

Mr. GOHMERT. Mr. Speaker, to be accused of partisan maneuvering is pretty insulting. Some of us are not concerned about partisan maneuvering; we are concerned about the security of the United States. That is why I am here right now, not because of partisan maneuvering.

Do you want to talk partisan maneuvering? How about when I go out to get a copy of the most current bill and we have got a bait and switch. This isn't even the most current bill out there that we can get ahold of to come in and talk about. But I know the provision, and I appreciate my fine chairman talking about we have taken care of emergency situations, and then we had two Members just talk about emergency situations.

If you take these provisions, and hopefully the part I am talking about is the latest, that is the way I understand from what you are talking about, it says specifically in here, yeah, there is an emergency provision, but in order to get it, the Director of National Intelligence, Admiral McConnell, who was the National Security Advisor for President Clinton, he and the Attorney General have to jointly be able to swear that the targets of their acquisition are not reasonably believed to be located outside of the United States and they are not reasonably believed to be United States persons.

You take that with their testimony, the testimony was I cannot ever swear that. The way you do this intelligence is you go after a foreign target, and I can never testify, he said, as to who the person will be that they call. I can never testify that I reasonably believe they will be outside the United States when they call or that they will not be a United States person.

So, if he comes in and does this after he has testified ''I cannot say I reasonably believe that they will not call somebody in the U.S., when I don't know who they will call,'' then we got problems. This does not protect the problem. We need to vote ''no.''

Mr. REYES. Mr. Speaker, I yield 10 seconds to the gentleman from Iowa (Mr. BOSWELL).

Mr. BOSWELL. I thank the gentleman and I support the bill.

I submit for the RECORD an op-ed by our friend and former colleague, the Honorable Lee Hamilton, cochair of the 9/11 Commission, regarding the issue of retroactive immunity. The op-ed fully expresses my concerns regarding this issue, and I wish for all Members to have the benefit of reviewing it.

[From the Baltimore Sun, Nov. 4, 2007]

IMMUNITY FOR WIRETAP ASSISTANCE IS RIGHT CALL

(By Lee H. Hamilton)

If the local fire company asked for your help putting out neighbor's blaze, you would not force the firefighters to justify their request. You would just help, right? That's what the phone companies did when the Bush administration asked them in secret for help with wiretaps to target al-Qaida communications into and out of the country.

However, the president's warrantless wiretap program caused a furor when it became public. The administration had circumvented the Foreign Intelligence Surveillance Act, raising many doubts about the legality and even constitutionality of its wiretap program. The controversy prompted class-action lawsuits against phone companies that cooperated with the government.

The Senate Intelligence Committee has reported out a bipartisan bill that would bring this wiretap program back under the FISA statute and court review. It would ensure the legality and robust congressional oversight so lacking in the original program. It also would give the phone companies immunity for their previous actions.

The committee made the right call. To the extent that companies helped the government, they were acting out of a sense of patriotic duty and in the belief that their actions were legal. Dragging them through litigation would set a bad precedent. It would deter companies and private citizens from helping in future emergencies when there is uncertainty or legal risk.

The help and cooperation of all our citizens are vital in combating the threats we face today. Companies in various sectors of the economy are going to have information that could save the lives of thousands of Americans. When they respond in an emergency, at the call of our highest elected officials and on assurances that what they are doing is legal, they must be treated fairly. To do otherwise would put our security at risk.

This is particularly true of communications companies. They are critical to our intelligence and ''early warning'' against terrorist attacks. The increasing complexity of communications technology has made the voluntary cooperation of these companies vital.

Government actions require public review. Actions by private companies in response to government requests also should place the burden of accountability on the government. We should not expect private companies to second-guess the propriety and legality of government requests. That is the job of our public servants in the executive branch, the legislators who oversee them, and ultimately the courts.

Unless Congress provides immunity, the clear message will be that private citizens should help only when they are certain that all the government's actions are legal. Given today's threats, that is too high a standard. We should hold public officials accountable for their actions—and hold harmless private citizens and companies when they respond to government requests to help protect us.

Mr. REYES. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. ESHOO), who serves as the chairwoman of our Subcommittee on Intelligence Community Management.

Ms. ESHOO. I thank the distinguished chairman of the House Intelligence Committee.

Mr. Speaker, this legislation very importantly covers espionage, terrorism, sabotage and all threats to our national security. That sentence alone frames what this issue is about and the seriousness of it.

The other part of it that fills out the frame is that it restores the FISA Court. It restores the FISA Court to its prominence, and, by doing so, it restores a legal framework for surveillance that must be conducted to protect our national security.

This legislation provides every meaningful tool of the legislation that was passed last August. But, unlike that bill, it protects the rights of the American people.

The legislation is true to its name. It restores the role for all three branches of our government by reestablishing the checks and the balances that have protected our security, as well as our rights as Americans. This is what the American people not only expect, it is what they have become accustomed to, and they like it.

This legal framework for the NSA surveillance is absolutely essential. When no Americans are involved, no judicial oversight is required. When an American communication may be intercepted, the court must approve the procedures for handling it. Finally, when an American is targeted, the court must be asked for an order.

The American people know all too well that this administration is now considered the most secretive in the history of our country. It has operated with unchecked power and without judicial or congressional oversight. We now know that the President went around the courts to conduct a program of warrantless surveillance of calls to Americans. We now know that the FBI abused the authorities granted under the PATRIOT Act improperly using National Security Letters to American businesses, including medical, financial and library records, instead of seeking a warrant from the court. In hundreds of signing statements, the President has quietly claimed he had the authority to set aside statutes passed by Congress.

Mr. Speaker, I think enough is enough. This bill says that the executive is not the imperial branch of government. It restores the fundamental balance struck by our Framers, to secure our Nation and to protect the rights of all Americans. Preserving that balance makes our Nation stronger, and this is at the core of the legislation before us. I urge my colleagues to support it.

Mr. SMITH of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LUNGREN) who is the senior member of both the Judiciary and Homeland Security Committees.

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I rise in opposition to this bill, and I am sorry that I have to do that. I respect the gentleman from Michigan (Mr. CONYERS). We have worked on many things together. I believe he is a prime time player, but I disagree with his statement that this bill is ready for prime time.

To just give one example, if you look at section 6 of this bill, section 6 of the bill differs with the way we handle minimization under current law by saying that if there is evidence of a crime, it cannot be disseminated to a criminal justice entity. Now, maybe there is a reason for that, but that has never been discussed whatsoever.

Secondly, I would say that in the two 1-hour Special Orders I gave, I raised the problem that exists in the underlying bill as we now see it, which is in the very beginning of the bill, and it deals with a section entitled ''treatment of inadvertent interceptions.''

It deals with a situation where the intelligence community believes in good faith that they are dealing with foreign-to-foreign, but inadvertently they capture communication that deals with foreign-to-domestic. And what we say here is that you cannot use that information for any purpose, any purpose. It cannot be disclosed. It cannot be disseminated. It cannot be used for any purpose or retained for longer than 7 days, unless what? A court order is obtained or unless the Attorney General determines that the information indicates a threat of death or serious bodily harm to any person, that the information indicates that.

I have stood on this floor on several occasions and said what that means is if we have a conversation or a communication involving Osama bin Laden, and everybody recognizes that might be the case, because in the manager's amendment we talk about Osama bin Laden, if in fact that occurs and the communication deals with someone within the United States, and he doesn't in that communication have information indicating a threat of death or serious bodily harm to any person, but indicates where he happens to be, the exact cave where he is at, we cannot operate on that in a timely fashion.

I would challenge any Member on the other side of the aisle to read the language in the underlying merged text, page 3, entitled ''Treatment of Inadvertent Interceptions,'' and tell me that I am wrong. This is, whether it is by mistake or you intended it to happen, giving greater protection to a terrorist around the world than you give to an American citizen charged with a crime.

I have said it before and I will say it again: I don't believe you intended this, but it is in the bill. As a matter of fact, the gentleman from New York, the chairman of the Constitutional Rights Subcommittee, came to me after we had an exchange on the floor on the issue and said, ''You are right. We goofed up. We should get rid of it.'' Yet we are here with it on the floor. For that reason alone, we ought to defeat the bill.

Mr. CONYERS. Mr. Speaker, I am stunned by my friend from California's comments, but I yield now 2 minutes to the gentleman from New York (Mr. NADLER), the chairman of the Constitution Subcommittee in Judiciary.

Mr. NADLER. I thank the gentleman.

Mr. Speaker, this legislation restores the proper role of the Foreign Intelligence Surveillance Court in the maintenance of our national security infrastructure. Let's get the terms of this debate clear before we begin. Anyone who can read will see that this bill does not inhibit the government's ability to spy on terrorists or on suspected terrorists or to act swiftly and effectively on the information we gather.

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The American people expect that their government will keep us all safe and free. This bill does that.

The bill does not require individual warrants of foreign terrorists located outside the United States. That has been the law for three decades; that is still the law.

The bill does provide reasonable FISA Court oversight to ensure that when our government starts spying on Americans, it does so lawfully by getting a warrant from the FISA Court. It will put an end to this administration's well-worn ''trust me'' routine.

I trust our intelligence community to gather solid intelligence on threats to our Nation. But protecting constitutional rights is not their prime job. That is why we have courts.

This bill provides for Congress to receive independent reports on how the act is working and what our government is doing. This administration's penchant for secrecy and aversion to accountability will come to an end, at least in this area.

Let me say a word for demands for retroactive immunity for the telecom companies. As many of our colleagues have pointed out, any such discussion is premature. We do not even know what we are being asked to immunize or whose rights would be compromised if we did so.

More importantly, Congress should not decide legal cases between private parties; that's for the courts. If the claims are not meritorious, the courts will throw them out. But if the claims do have merit, we have no right to wipe them without even reviewing the evidence. How dare we have the presumption to decide the rights of allegedly injured parties in the blind.

Mr. Speaker, this bill meets every single principle set forth by the Congressional Progressive Caucus. As one of the co-chairs of the caucus' FISA Task Force, I am pleased to support this important bill. It is true to our Constitution. It is true to our values. It is true to our safety. It will keep us safe and free.

This bill gives our intelligence agencies the tools they have told us they need to make us safe, and gives the FISA Court the tools it needs to ensure that the extraordinary powers we are giving to the intelligence community are used correctly and consistently with our laws and our Constitution.

It's called the separation of powers, with each branch of the government doing what it is supposed to do and acting as a check on the others. FISA exists to ensure that the balance between the needs of intelligence gathering and the protection of the rights of all Americans are balanced.

Most importantly, it restores the role of FISA as the exclusive legal basis for foreign intelligence surveillance. No more making it up as you go along.

Did the telecoms break the law? Were they acting appropriately? Were the rights of innocent Americans violated? We don't know.

How dare we have the presumption to decide the rights of allegedly injured parties in the blind?

Mr. SMITH of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG), a senior member of the Commerce Committee.

Mr. SHADEGG. I thank the gentleman for yielding.

I think this is a very, very important debate. I understand the frustration of the majority in trying to deal with this issue, but I believe they have created a structure that even they themselves don't understand, and a structure that fundamentally turns the Constitution and the role of at least two branches of the government upside down.

We have the executive branch which is charged with defending the Nation against foreign enemies and we have the judicial branch which is charged with applying and interpreting the laws. But it is charged with judging disputes between American citizens, not with making decisions how about to gather foreign intelligence.

Now, how does this bill work? Number one, it says if the executive branch in carrying out its duty to protect the country from foreign enemies knows in advance that both people, both ends of a telephone communication or some other electronic communication, are in fact foreigners, no warrant is needed.

Well, if we could be mind readers and if we could hire mind readers as intelligence officers, that might be useful. But everyone in the intelligence community tells you that have targeted one person, and without the ability to read the mind of that person, you don't know who the other person they are calling is.

So as a matter of fact, you can never know, never ever know, no CIA agent, no judge, nobody can ever know that both people are foreigners. And so if the law says if you don't know that both are foreigners, you must get a warrant from a judge.

Now they have said we are going to be reasonable about it; it is going to be a basket warrant. But that then gives the duty of protecting the Nation to a judge, an unelected judge.

Mr. REYES. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from New Jersey (Mr. HOLT), our chairman of the Select Intelligence Oversight Panel.

Mr. HOLT. I thank my friend and colleague from Texas.

Mr. Speaker, I rise in support of this bill. As many of you know, when the committee reported this bill to the floor, I expressed concerns that it

lacked provisions ensuring that the courts would decide whether the executive branch could seize and search communications of Americans.

The RESTORE Act now before us includes provisions via the manager's amendment that will ensure that it is the courts, not an executive branch political appointee, who decides whether or not the communications of an American can be seized and searched and that such seizures and searches must be done pursuant to an individualized court order.

This bill gives our citizens the best protection we can provide them, a sound intelligence collection that will foil our enemies and the review of the executive branch's surveillance actions by the court. In other words, each of us can say to each of our constituents: you have the protection of the court.

Now, it is important to note that this bill will provide better intelligence than existing law, the existing law which was passed in haste and fear. This bill, by applying checks and balances, improves intelligence collection and analysis. It has been demonstrated that when officials establish before a court that they have reason to intercept communications, we get better intelligence, better intelligence than we get through indiscriminate collection and fishing expeditions.

Mr. Speaker, this does it right. Mr. Speaker, I would like to close by thanking the staff of the committee, Jeremy Bash and Eric Greenwald; and from the Judiciary Committee, Lou DeBaca and Burt Wides; as well as the chairmen, Mr. REYES and Mr. CONYERS, who took my concerns to heart and made them their own concerns. It has produced a good bill. I urge my colleagues to vote ''yes'' for the RESTORE Act.

Mr. Speaker, the RESTORE Act will ensure that it is the courts—and not an executive branch political appointee—who decide whether or not the communications of an American citizen can be seized and searched, and that such seizures and searches must be done pursuant to a court order. This bill gives our citizens the best protection we can provide them: good intelligence collection against our adversaries, and review of the executive branch's surveillance actions by a court.

I was pleased to be able to work with my colleagues on the House Permanent Select Committee on Intelligence to add several key provisions to this bill. For example, the bill's most critical new provision ensures that the government must have an individualized, particularized court-approved warrant based on probable cause in order to read or listen to the communications of an American citizen. Inclusion of this provision was vital. We must be able to assure our citizens that their communications cannot be seized and searched by the government in the absence of a court order, and with this provision now in the bill, we can provide that assurance.

Another provision I worked to include requires the Court to review and approve not only the procedures and guidelines required under this Act, but also the application of those guidelines. This provision provides another important point of review by the courts that will help ensure that the Attorney General and the Director of National Intelligence are actually doing what they claim they are doing.

I also asked that a provision be inserted that makes it clear that the Foreign Intelligence Surveillance Act (FISA) is the sole statutory basis for domestic surveillance. This language was needed to remove any ambiguity. We cannot have any President inventing other claims for secret, warrantless surveillance.

The bill also provides additional resources to both the executive and judiciary branches for processing FISA applications and orders. The bill increases the number of Foreign Intelligence Surveillance Court (FISC) judges from 11 to 15, provides additional personnel to both the FISC and government agencies responsible for making and processing FISA applications, creates an electronic filing, sharing, and document management system for handling this highly classified data, and mandates training for all government personnel involved in the FISA process. All of this will help modernize and streamline the FISA application approval process.

Finally, the bill requires the Bush administration to ''fully inform'' Congress on all surveillance programs conducted since 9/11. It's outrageous that the Bush Administration has continued to stonewall this Congress over documents for the one program it has acknowledged. If we're to do our job of oversight, we need all the facts about past and current surveillance programs, and this provision will help us get those answers.

I hope our colleagues in the Senate will quickly pass the RESTORE Act, and I call upon the President to end his veto threats and work with Congress to bring America's surveillance activities into compliance with the Constitution.

President Bush has no inherent Constitutional authority to spy on our own citizens in the name of national security. If the President is serious about passing a law that allows us to protect our citizens from all enemies—foreign and domestic—he will sign this bill.

Mr. SMITH of Texas. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished minority whip of the House.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for yielding and for his hard work on the floor this evening, for the leadership of Mr. HOEKSTRA and others on this important bill. We need to modernize FISA to keep up with changes in communications technology and the continually evolving tactics of our terrorist enemies.

We made some important steps in this direction only 90 days ago. We all understand that more needs to be done. But rather than responding to this need, this legislation actually impedes the intelligence community's ability to conduct effective investigations and to prevent future terrorist attacks.

This act requires FISA court orders for the first time for thousands of overseas terrorist targets. The Director of National Intelligence, Admiral McConnell, has described this requirement as unworkable and impractical.

This act contains a sunset date which fails to provide the certainty under the law that our intelligence community needs to effectively do its job.

It doesn't provide the liability protections for telephone companies and other carriers that assisted the government after 9/11 who now have a flurry of harassing lawsuits facing them.

Mr. Speaker, the majority claims that this legislation will restore a balance between civil liberties and national security. In fact, this bill will restore the intelligence gap that existed prior to our actions the 1st of August.

I urge this legislation be defeated. The current bill is better than this bill. We need to deal with it certainly between now and the end of the 6 months, but let's not take a step backwards. Let's let the law do what this law was intended to do in 1978 and is doing today.

Mr. CONYERS. Mr. Speaker, it is my pleasure now to recognize the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ), a member of the Judiciary Committee, for 1¼ minutes.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, in August I urged my colleagues to vote against an unconstitutional Senate bill. Simply put, that bill trampled on our constituents' constitutional right to privacy.

Today, I am proud to rise in support of the RESTORE Act, a bill that provides the intelligence community the tools it needs, but that restores the constitutional rights of Americans.

Mr. Speaker, we can be both safe and free, and this bill strikes the right balance.

This bill permits surveillance of foreign-to-foreign communication. It allows us to listen in on Osama bin Laden or any other terrorist who threatens our troops or country. This bill will keep us safe.

But this bill also requires a warrant from the FISA Court in order to eavesdrop on the communications of ordinary Americans, and it requires a court review of targeting procedures to ensure Americans' rights are protected. This bill restores our civil liberties.

Mr. Speaker, our colleagues across the aisle would rather play politics with this bill and unleash arguments of mass distortion, so let me be clear: nothing in this bill gives our constitutional rights to terrorists.

Our Republican colleagues create this smoke screen in order to hide the fact that they have taken away those same constitutional freedoms from Americans.

We need not choose between our secure and liberty. With the RESTORE Act, we can have both.

Mr. HOEKSTRA. Mr. Speaker, I yield myself 1 minute.

This morning as we did the rules debate, I asked some questions of my colleagues on the other side of the aisle, and they said we will cover that during general debate tonight.

So the questions I have that I hope will be answered is in the manager's amendment that was presented this

morning and was voted on in the self-enacting rule talks about illegal aliens. The questions I have:

Would it allow surveillance against possible illegal aliens for law enforcement purposes?

Would it allow foreign intelligence surveillance to be conducted against transnational smuggling rings?

Would it allow surveillance to determine whether someone is an alien not permitted to be in or remain in the United States?

Would the amendment exempt undocumented aliens from the physical search requirements of FISA? Exactly how far does this amendment go? What is it intended to do?

These were the questions that I asked this morning that I hope will be answered tonight.

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

Mr. REYES. Mr. Speaker, could I ask how much time remains on each side.

The SPEAKER pro tempore. The gentleman from Texas (Mr. REYES) has 6½ minutes remaining. The gentleman from Michigan (Mr. CONYERS) has 3¾ minutes remaining. The time has expired for the gentleman from Texas (Mr. SMITH). The gentleman from Michigan (Mr. HOEKSTRA) has 14 minutes remaining.

Mr. REYES. Mr. Speaker, I reserve the balance of my time so we can balance the time out with the gentleman from Michigan.

Mr. HOEKSTRA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. THORNBERRY), a member of the committee.

Mr. THORNBERRY. Mr. Speaker, it is unfortunate that here we are again debating a FISA bill that is more about politics than it is about the country. This bill is a cobbled-together mess designed to keep most of the Democratic Caucus together rather than a bill designed to meet the national security needs of the country. It is full of contradictory, unworkable provisions.

Most of this body and most of the American people agree that our intelligence professionals, civilian and military, should be able to gather foreign intelligence on terrorists and others without having a pack of lawyers trail along behind you. Unfortunately, that is exactly what they will need if this bill were to ever become law.

It is also sad that those who have volunteered to help defend us against terrorists are being punished. We debate Good Samaritan laws from time to time. The country needs Good Samaritans, as well, to help prevent terrorist attacks.

What the country needs, Mr. Speaker, is an updated law that intelligence professionals can really use, that really works in the field, not some cobbled-together mess designed to achieve a political purpose just before a recess. We can do better. I continue to hope that someday this House actually will.

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Mr. REYES. I continue to reserve the balance of my time.

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

Mr. HOEKSTRA. I yield 2 minutes to the gentleman on the committee, Mr. TIAHRT of Kansas.

Mr. TIAHRT. I thank the gentleman from Michigan for yielding to me. I rise in opposition to this bill.

I am really surprised by the procedure we have gone through to get to this point in this legislation. You know, under the underlying bill we had open hearings, we had closed hearings, we looked at a lot of the details and openly debated them and I thought we were making pretty good progress. But then, in the self-enacting rule, we have a whole bunch of new language that is dumped into this bill that has had no hearings.

In fact, section 18 says in this bill now, no rights under the RESTORE Act for undocumented aliens. It says: This Act shall not be construed to prohibit surveillance of an alien not permitted to be in the United States.

Undocumented aliens, no rights.

Then we get to what, the rights that the terrorists have in the underlying bill. Section 3 has procedures for authorizing acquisitions of communications, and there are 8 pages telling how we are going to protect the terrorists. They have got some rights protected under this bill.

Then we get to section 4, the emergency authorization. We have 8 more pages explaining how terrorists have more rights than undocumented aliens right here in the United States.

So then we listened to the gentleman from California (Mr. LUNGREN), who is the former Attorney General of the State of California, and he explains that, through the minimization procedures, that we are actually giving terrorists more rights than we do our own U.S. common criminals.

So what is the deal with this? It is really a mess. You have got terrorists at a higher status than undocumented aliens that are here in America and a lot of them just trying to make a living, and then you have got a higher standard for terrorists than you do for our own criminals. Now, why don't we balance things out here? Why don't we balance things out? You have tried to push this thing through without hearings, you have hodgepodged it together, and it truly is a mess. We ought to send this back to committee and do the right thing on this.

We want to protect the rights of American citizens, and we think that humans have a certain set of rights, too. But this bill does not provide it. It has mixed standards. It is a mess, and I think we should vote it down.

Mr. REYES. Mr. Speaker, I reserve the balance of my time until we balance out the time.

Mr. HOEKSTRA. Mr. Speaker, I think we have balanced the time. We chose on our side to go with the 15 minutes of Judiciary time and then 15 minutes of Intelligence time. I believe the people in opposition to this bill now have 10 minutes; the people who are supportive of this bill have 11. That sounds like balance to me.

I reserve the balance of my time.

Mr. REYES. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentleman from Texas (Mr. REYES) has 6½ minutes remaining. The gentleman from Michigan (Mr. HOEKSTRA) has 10½ minutes remaining. The gentleman from Michigan (Mr. CONYERS) has 3¾ minutes remaining.

Mr. REYES. Mr. Speaker, I will now yield 1½ minutes to the distinguished gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I rise in support of the RESTORE Act because I believe that the way we conduct the fight against terrorism says a great deal about who we are as a people.

We all want to keep the country safe from terrorism and to provide the necessary tools to our intelligence community, but I am not willing to sacrifice who we are and what we stand for just because this President says so.

The President's Protect America Act cut the FISA Court out of the process. The RESTORE Act puts the court back in. Now, the court, not the President, will decide whether the constitutional legal requirements are met. The court will assess in advance a program of surveillance that may intercept the communications of Americans. The court will ensure that the system the NSA establishes will protect the rights of any Americans they come across. The RESTORE Act clarifies the Protect America Act cannot be used to conduct secret searches of Americans' homes, businesses, computers, and medical records. It reiterates the exclusivity of FISA, which would put an end to secret, warrantless spying programs. It makes clear that the President has to obey the laws.

The RESTORE Act requires meaningful reporting to the Congress about the warrantless surveillance programs that have occurred since September 11, and it will require meaningful oversight in the future. The RESTORE Act will make America safer and keeps us true to who we are as a Nation. I urge my colleagues to vote ''yes.''

Mr. HOEKSTRA. Mr. Speaker, I yield 2 minutes to my colleague from California (Mr. LUNGREN).

Mr. DANIEL E. LUNGREN of California. I thank the gentleman for yielding.

Once again, I would ask my friends on the other side of the aisle: Can anyone explain why, on page 3, you give stronger rights to someone who is a suspected terrorist, even Osama bin Laden, if he has a communication we intercept believing it was going to be foreign-to-foreign, now foreign to someone in the United States, and in that he reveals where he is, why we cannot use that information as we are able to with a legal wiretap in the United States on an American citizen

charged with a crime who calls someone who is not a target of a crime? I do not understand it. Page 3. Is there anybody on your side who can explain why you would have that?

The silence has been deafening for a month now on this.

Mr. CONYERS. Would the former Attorney General of California yield?

Mr. DANIEL E. LUNGREN of California. I would be happy to yield if the gentleman would tell me exactly what I just asked.

Mr. CONYERS. That is why I seek to have you yield to me, sir.

Osama bin Laden is never going to have any rights superior to any citizen.

Mr. DANIEL E. LUNGREN of California. Reclaiming my time, because I asked you to specifically talk about the language in the bill. I have read it and read it and read it, and you have refused to respond to it, even though the chairman of the Subcommittee on Constitutional Rights told me that I was correct in my reading of the bill and that you folks were going to change it. You didn't change it. I expect that is because you forgot about it.

I would invite the gentleman from New York to respond to me, because he intellectually honestly told me just 2½ weeks ago that you folks were going to change it. Why haven't you done it?

Mr. Speaker, the silence I think speaks volumes. This is a bill that is not ready for prime time. It inadvertently protects Osama bin Laden with greater rights than an American citizen charged with a crime.

Mr. CONYERS. Mr. Chairman, it is very important that we understand that Mr. LUNGREN in his dramatic presentation about the cumbersomeness and the protections that we are affording bin Laden almost begs the question here.

We have been on this bill for several times. We have got a carve-out here. Nothing prevents conducting lawful surveillance that is necessary to, one, prevent Osama bin Laden and al Qaeda or any other terrorists, Mr. LUNGREN, or any ally of those persons from receiving any of these protections. We can operate against them without giving them any rights, and I think you must know that by now.

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I can't give you time. I have got less than anybody here. No. I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ROSS). All Members are reminded to address their remarks to the Chair.

Mr. HOEKSTRA. Mr. Speaker, at this time I yield 2 minutes to my colleague from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Speaker, I want to point out that this bill raises a fundamental question: Do we trust judges, unelected judges, to control foreign intelligence? Are we going to move that responsibility from the executive branch to judges? Or is that not their job?

As I explained earlier, this measure requires that a warrant be obtained every single time you are seeking to gather foreign intelligence. That means that we are asking Federal judges, who are unelected, to decide in 100 percent of the cases whether we can or cannot gather intelligence.

Now, I respect judges. I admire judges. But judges have the duty of deciding disputes between Americans. They do not have the responsibility to protect our Nation. But this bill says you can never gather intelligence from a foreigner without first going and getting a warrant.

So a job that under our Constitution has been given to the executive branch, that is, to conduct foreign intelligence and protect the Nation, we are now taking from the executive branch and giving to judges. Because unelected Federal judges, who have no responsibility to protect our Nation, no responsibility to gather foreign intelligence, now get to decide, this has never been true in the history of our Nation, whether or not the Federal Government will gather any intelligence.

I respect judges. I am all for judges. If I am in a dispute over the civil rights of an American, I want a judge to decide. But when it comes to gathering intelligence about terrorists, we are going to take that authority away from the executive branch, which we have never done in the past, and give it to judges and judges only? Judges whom we cannot defeat in office, judges who are appointed, judges who do not stand for election, judges who cannot be voted out of office? We are going to take the authority away from the executive branch to protect our Nation and in 100 percent of cases give it to unelected judges. That is a mistake.

Mr. REYES. Mr. Speaker, I think we just saw some shrill out of options articulation there.

I now yield 1½ minutes to the gentleman from Rhode Island (Mr. LANGEVIN).

(Mr. LANGEVIN asked and was given permission to revise and extend his remarks.)

Mr. LANGEVIN. Mr. Speaker, I rise in support of H.R. 3773. This legislation does exactly what our Constitution requires us to do: protect security while preserving civil liberties.

Maintaining that balance has sometimes been difficult, and the events of 9/11 have made it even more challenging. However, the RESTORE Act is a carefully crafted solution. We all recognize the gravity of the threats facing our country, and this bill gives the Director of National Intelligence all the authority he has asked for to fight terrorism while at the same time it protects civil liberties.

Further, the RESTORE Act provides for rigorous and independent oversight from the courts, the Congress, and the Department of Justice Inspector General. In our committee markup, I successfully offered an amendment to even strengthen this oversight by preserving the FISA Court's role to review compliance with their rules every 90 days for the life of a court order.

Rigorous oversight is why the Bush administration objects to this bill. They want unfettered authority. Unfortunately, we have seen what happens without checks and balances, and I will not allow that to happen again. As Members of Congress, we took an oath to defend the Constitution and the principles on which it was founded.

I urge my colleagues to support H.R. 3773, which provides security while preserving the fundamental values that make this country so great.

Mr. HOEKSTRA. Mr. Speaker, I yield 3 minutes to my colleague from the State of New Mexico (Mrs. WILSON).

Mrs. WILSON of New Mexico. Mr. Speaker, my colleague from Rhode Island talked about the importance of upholding the Constitution, and there is something in the manager's amendment to this bill that was inserted without any hearing in the committee that I don't understand, that makes no sense to me. It is a provision that says, very plainly: This act and the amendments made by this act shall not be construed to prohibit surveillance of, or grant any rights to, an alien not permitted to be in or remain in the United States.

Now, I think there are probably a lot of people on this side of the aisle who don't have a problem with that provision. What I don't understand is why you all are proposing it.

Here is the irony here. This bill will extend rights under our Constitution to foreigners in foreign countries, while denying the protections of the Constitution to some 12 million people who are not legally in the United States, when the case law is clear that they do have rights. Whether we think they should have rights or not, the case law is absolutely clear. So we will deny those rights to people in the United States while extending them to people in foreign countries?

I think we should be clear with the American people why we insisted on fixing the Foreign Intelligence Surveillance Act, and did so successfully in August. We had soldiers who were kidnapped in Iraq by insurgents.

□ 1915

And because of changes in technology and the demands of the court, the American military had to go to lawyers in the United States to get a warrant to try to intercept the communications of the terrorists trying to kill them. That took time, too much time. And the law had to be fixed.

Soldiers should not need an army of lawyers in Washington to listen to the communications of the enemy that's trying to kill them. This needed to be fixed, and we fixed it the first week of August.

We all remember where we were on the morning of 9/11. We remember who we were with, what we were wearing, what we ate for breakfast.

But people don't remember where they were the day that the British Government arrested 16 people who were within 48 hours of walking on to airliners and blowing them up simultaneously over the Atlantic. We don't remember it because it didn't happen. And the reason it didn't happen is because of exceptional intelligence and the cooperation of the British, Pakistani and American Governments.

Mr. REYES. Mr. Speaker, I'm concerned about the self-induced confusion on the other side.

I now yield 1¾ minutes to the gentleman from Pennsylvania (Mr. PATRICK J. MURPHY) who served in Iraq and also serves with me on the Armed Services Committee, as well as our Intelligence Committee.

Mr. PATRICK J. MURPHY of Pennsylvania. Mr. Speaker, I rise today in support of the RESTORE Act and to set the record straight on an issue that is close to my heart.

In May of 2007, three men from the 10th Mountain Division were captured in Iraq. They're names are Specialist Alex Jiminez, Private First Class Joseph Anzak, and Private Byron Fouty. I recite their names because the right wing attack machine never does. But these are the facts, and they're not pretty.

The intelligence community stood ready to help find these three soldiers. But for 5 hours, for 5 hours, the Bush administration could not decide what to do. When they decided to go ahead, no Bush administration official could authorize it, could be found to authorize it. But when they finally found the Attorney General in Texas, it took an additional 2 hours to authorize the surveillance, even though he could have granted the authority in just minutes. Hours of indecision and incompetence while these three soldiers went missing.

* * * * *

While the RESTORE Act can solve many problems posed by the current FISA law, it will not solve the problem in these soldiers' situations.

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I ask the gentleman's words be taken down with respect to the use of the word ''deceit.''

The SPEAKER pro tempore. All Members will suspend.

The Clerk will report the words.

Mr. PATRICK J. MURPHY of Pennsylvania. Mr. Speaker, this has been a very powerful and emotional debate today, and the issue is very close to my heart. I did not mean to offend anyone across the other side of the aisle. And I ask the Speaker and the other side for unanimous consent to withdraw the paragraph that may have given offense to some Members that were on the floor.

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

There was no objection.

The SPEAKER pro tempore. In this debate, the gentleman from Texas (Mr. REYES) has 1¾ minutes remaining, the gentleman from Michigan (Mr. CONYERS) has 2 minutes remaining, and the gentleman from Michigan (Mr. HOEKSTRA) has 3½ minutes remaining.

Mr. HOEKSTRA. Mr. Speaker, I yield myself 30 seconds.

I just want to make a couple of points. Again, no one has answered the questions that I asked earlier today and that I asked in the debate tonight. The amendment talking about illegal aliens, would it allow for surveillance against possible illegal aliens? Would it allow for foreign intelligence surveillance to be conducted against transnational smuggling gangs? Would the amendment exempt undocumented aliens from the physical search requirements?

And then just to reiterate the point that my colleague made in the previous speech, this is all about lawyering up the process, and that's what extends the time.

At this point, I yield 1 minute to my colleague, Mr. KIRK of Illinois.

Mr. KIRK. I thank the gentleman. And as the leader of the moderates in this, I would say that this issue should unite us all as Americans, not divide us along partisan lines.

I also speak as a Navy intelligence officer that would say that the provision that was newly included in this legislation says that nothing in this act shall prevent an intelligence officer from monitoring someone related to al Qaeda, Osama bin Laden or Ayman al-Zawahiri to prevent an attack against the United States. But so much of our intelligence is beyond the imminent attack on the United States. So much of us in the intelligence world, we have to watch the earliest signs of this.

Let's be clear, this bill before us has nothing to do with the rights of U.S. citizens; those are already protected. As an intelligence officer, we are always drilled on the code of conduct in dealing with U.S. persons. This bill has everything to do with creating new rights for people overseas. And I think we should let our intelligence community monitor whoever Osama bin Laden is talking with to protect the United States, even if an attack is not imminent.

□ 1945

Mr. CONYERS. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from Virginia (Mr. SCOTT).

(Mr. SCOTT of Virginia asked and was given permission to revise and extend his remarks.)

Mr. SCOTT of Virginia. Mr. Speaker, I rise in favor of the legislation.

Mr. Chairman, I appreciate your leadership on efforts to address warrantless surveillance under the Foreign Intelligence Surveillance Act, or ''FISA'' and for introducing a bill that corrects many of the shortcomings of the bill that passed the House last August.

The RESTORE Act establishes a strong framework, much stronger than the Administration's PROTECT Act, to fight terrorism effectively, while providing reasonable safeguards to protect personal privacy.

One important change in the Restore Act is that it draws the appropriate distinctions based on the physical location and types of targets. There has never been any controversy over the fact that surveillance directed at people all of whom are overseas does not need any warrant at all. This bill rightly makes it clear that no court orders are required for the government to conduct surveillance on foreign targets outside the United States, even if the technical surveillance is conducted on U.S. soil. But if any surveillance is intentionally conducted on a U.S. person, this bill makes it clear that the government needs to apply for an individual warrant to conduct that surveillance. And if information on U.S. persons is incidentally collected, the Manager's Amendment to the bill rightly limits dissemination of that information among government agencies.

Second, the bill removes vague and overbroad language from the bill passed in August that would allow the wiretapping of conversations without a warrant if the communication was ''concerning'' a foreign target. That, by its own wording, suggests that if two citizens are in the United States talking about somebody overseas, that you could wiretap their communications without a warrant. The bill before us makes it clear that the persons involved in the communications must be overseas, not just that the subject of their conversation must be overseas.

Third, the RESTORE Act goes a step further than the Administration's bill and allows for the expanded wiretapping authority only in cases involving ''national security,'' as opposed to the over-expansive ''foreign intelligence.'' ''Foreign intelligence'' could include trade, deals or anything involving general foreign affairs activities.

Finally, the RESTORE Act was made even stronger in Committee by requiring the Department of Justice, in its application to the Court, to identify the ''primary purpose'' of its wiretapping. Under the original FISA, when an agent wanted to obtain the authority to conduct electronic surveillance or secret searches, a certificate was necessary detailing what the purpose of the surveillance was in order to obtain the warrant. The standard was altered by the Patriot Act, which provided that obtaining foreign intelligence only has to be ''a significant purpose.''

We have to put this change in context because the Department of Justice has not credibly refuted the allegations that some U.S. Attorneys were fired, because they failed to indict Democrats in time to affect an upcoming election. So if the Department of Justice wiretapped someone when foreign intelligence was not the primary purpose, you have to wonder what the primary purpose was. This bill would allow the surveillance to be conducted but the administration would be required to reveal the true purpose of the wiretap to the secret FISA court.

Mr. Speaker, I want to emphasize that we do not have to balance security and privacy. It is therefore important to note that everything that the administration can do in its own bill, it can do under this bill. We just require them to get a warrant before they do it, or if they are in a hurry, get a warrant after they do it, but they can wiretap and get the information. We just provide a modicum of oversight to ensure that our laws are being obeyed. I urge my colleagues to support the bill.

Mr. CONYERS. Mr. Speaker, I am now pleased to yield 1 minute to the Speaker of the House, the gentlewoman from California, NANCY PELOSI.

Ms. PELOSI. Mr. Speaker, as one who has long served on the Intelligence Committee, I understand full well the threats to our national security. I understand full well the need for us to have legislation that strikes the proper balance between liberty and security. I think this legislation does just that. And I commend Chairman CONYERS, chairman of the Judiciary Committee; and the chairman of the Intelligence Committee, Chairman REYES, for their important work and their leadership in presenting this legislation to the floor for consideration.

The bill is important and accomplishes the goal of striking the balance between security and liberty in the following ways: it defends Americans against terrorism and other threats; it protects Americans' civil liberties; and it restores checks and balances.

The bill protects Americans by providing the Director of National Intelligence with the flexibility he has requested of Congress to conduct electronic surveillance of persons outside the United States. No warrants are required whenever foreign-to-foreign communications are captured regardless of the point of collection or anywhere in the world.

It protects our civil liberties in a number of ways. The DNI has agreed that when Americans are targeted for surveillance, a warrant is required. We have now included certain criteria that the government must take into account in considering whether a warrant is required. This will help prevent inappropriate warrantless surveillance and ''reverse targeting'' of Americans under the guise of foreign intelligence.

The bill restores checks and balances. This is very, very important because it, again, is part of our oath of office to protect the Constitution of the United States. The bill rejects groundless claims of ''inherent executive authority.''

There are those who claim that the President has inherent authority from the Constitution to do whatever he wishes. Long ago our Founders rejected that concept in founding our country. We must do that as well and continue to make that clear.

The legislation also makes clear that FISA is the exclusive means for conducting electronic surveillance to gather foreign intelligence. The government must seek approval from a FISA Court. So we are talking about the Congress of the United States passing legislation, as it did in the late seventies, passing this legislation today which is in light of the new technologies and new reality in the world, and recognizing the authority of the third branch of government: the courts.

This legislation includes extensive reporting to Congress with respect to the interception and dissemination of communications among Americans and from Americans. This is very important because we want to minimize the use of that information and keep it for the purpose for which it is collected.

Most significantly, the bill does not provide immunity to telecommunications companies that participated in the President's warrantless surveillance program. We cannot even consider providing immunity unless we know exactly what we are providing immunity from. And even then, and even then, we have to proceed with great caution.

It is important to note that the bill sunsets on December 31, 2009, the date the PATRIOT Act sunsets, so the next administration and the next Congress can review and reassess the program.

This legislation is supported by organizations dedicated to protecting our national security and protecting our civil liberties, including the Center for National Security Studies, the Center for Democracy and Technology, and many other groups that work to protect privacy rights. The bill protects both national security and civil liberties, reaffirms our constitutional system of checks and balances, and deserves the support of this House.

Mr. Speaker, all of us want our President to have the best possible intelligence, our President and our policymakers, so they can do the best possible job to protect the American people. But no President, Democrat or Republican, should have the authority, to have inherent authority, to collect on Americans without doing so under the law. This legislation establishes that principle; and it establishes it in a very focused way in keeping with the need for flexibility for the Director of National Intelligence, in keeping with honoring our oath of office to the Constitution. I urge our colleagues to support this important legislation.

I, for one, am very, very proud of the work of Mr. CONYERS and Mr. REYES and thank them for their leadership.

Mr. HOEKSTRA. Mr. Speaker, I yield myself 1 minute.

A month after I originally came to the floor to oppose this bill, I now rise in opposition to this flawed legislation, which, disappointingly, has been made worse ever since we started the process.

In August Congress finally acted, after months of prodding from Republicans, to close significant intelligence gaps against potential foreign terrorists in foreign countries that jeopardize America's ability to protect and prevent potential terrorist attacks and to effectively collect intelligence on foreign adversaries.

Now we have a simple choice: Do we do what is necessary to provide long-term legal authority for our intelligence community to conduct necessary surveillance, or do we reopen that intelligence gap?

It now seems that the majority is determined to move a bill intended to make political statements rather than to give intelligence professionals the tools that they need to protect our country.

I urge my colleagues to vote against this bill.

Mr. REYES. Mr. Speaker, I yield 1 minute to our distinguished majority leader, Mr. HOYER of Maryland.

Mr. HOYER. I thank my friend for yielding. I thank him for his leadership as well. I thank Mr. CONYERS for his leadership, and I thank Mr. HOEKSTRA and Mr. SMITH for their participation.

This is a serious issue that confronts us. Mr. Speaker, this legislation, the RESTORE Act, is nothing less than the fundamental reiteration of the most basic concepts of our Constitution, our constitutional form of government that we, indeed, are a Nation of laws and that our Founders deliberately designed our three branches of government to serve as a check and balance on each other.

One of my colleagues, my friend, I believe, from Arizona, stood and said it was not the job of judges to conduct intelligence. He was correct. It is not the job of judges to conduct intelligence. But it is the constitutional duty given by our Founding Fathers, who understood that King George too often abused his sovereign power and who said to all that they would have adopt this Constitution that we will protect you from the abuse of power of government, and we will do it by having it reviewed by independent judges, not by the legislature.

We can be told by judges that we are not acting constitutionally, and that is a protection for our people against congressional abuse of power. And the executive department can be told by judges you are abusing your constitutional power. No power, no protection was felt to be more necessary and important by our Founding Fathers than their right to personal privacy and a lack of intrusion by King George just because he wanted to do it. And they said King George had to have probable cause, in this case, the Government of the United States. So that's why they established the courts. And we, in our wisdom, in my view, established the FISA Court to do just that.

Every single one of us here recognizes that our highest duty is to protect the American people. Indeed, we must detect, disrupt, and eliminate terrorists who have no compunction about planning and participating in the mass killing of innocent people. We saw that tragically on 9/11. We also, each one of us, come to this well or stand at our seats and raise our hand and swear an oath to defend the Constitution of the United States, to protect its laws and to honor the values and principles that are contained therein. That is our oath. That is what we do here this night, including the fourth amendment right that Americans are secure in their persons, houses, papers, and effects against unreasonable searches and seizures. That's not an assertion on any individual or any government or even the

legislature. It was an assertion by our Founding Fathers that they had seen too often abuses by the executive agencies of government.

Our basic duties as Members of this Congress, protecting the American people and protecting the values that define us as Americans, are not mutually exclusive. We can protect our country and protect our Constitution. That is our duty.

And that is precisely what this historic act, introduced by Chairman REYES and Chairman CONYERS, has done. This legislation gives our intelligence community the tools it needs to listen in on those who seek to harm us while addressing concerns that the bill passed in August could authorize warrantless surveillance of Americans. That is our concern. That is our focus.

Among other things, this legislation modernizes the technologically outdated Foreign Intelligence Surveillance Act of 1978 by restoring a checks and balances rule for the FISA Court and addressing the intelligence gap asserted by the Director of National Intelligence.

□ 2000

We heard Director McConnell. We want to help Director McConnell. Let us be clear. This legislation does not require a warrant for listening in on suspected and known terrorists, period. An assertion to the contrary is not accurate. In fact, it clarifies that no court order is required for surveillance of conversations where both parties are foreign citizens. It does not extend constitutional rights to suspected or known terrorists, assertions to the contrary notwithstanding. Nor does it delay the collection of intelligence information.

Furthermore, it grants the Attorney General and the Director of National Intelligence authority, authority to apply to the FISA Court for a block order, not an individual order, not a discrete order, but a block order saying that you can pursue this gathering of information to protect America, but you cannot do it simply because you want to do it. You've got to do it consistent with the Constitution of the United States and the laws thereof. You cannot conduct freelance surveillance without some authority of law.

The FISA Court can give a block order to conduct surveillance on large groups of foreign targets for up to a year, and that can be renewed, ensuring that only foreigners are targeted and Americans' rights are preserved. That was the whole reason in a bipartisan way we adopted FISA, to make sure that was the case.

Why do you fear a FISA Court reviewing that basic principle that was its intent at its adoption?

Finally, the legislation is silent on the issue of retroactive immunity for telecommunications companies that possibly violated privacy laws in turning over consumer information to the government. We don't make that judgment today. We need to review information to know what was done before we immunize conduct which we do not know. Simply stated, it would be grossly irresponsible for Congress to grant a blanket immunity for companies without even knowing whether their conduct was legal, appropriate, reasonable or not. Don't you think the American public, each one of our constituents, expects that of us?

In closing, Mr. Speaker, let me quote The Washington Post, which stated in October, the measure produced by the House Intelligence and Judiciary Committees would alleviate the burden of obtaining individualized warrants for foreign targets while still maintaining a critical oversight for the FISA Court. In other words, we are relieving the administration from the burden of discrete approval. But we are providing for the protections that Americans expect under our Constitution.

Mr. Speaker, we must give our Commander in Chief, the President of the United States and the intelligence community the resources, the authority, and flexibility that is necessary to protect our people and defend our Nation. I believe each of us in this Congress support that objective. But we must also honor the values and principles that make us Americans. This legislation allows us to do both.

I urge my colleagues on both sides of the aisle, facilitate the interception of information and terrorist communication dangerous to our people and our country. And at the same time, redeem that oath of protecting and defending our Constitution.

Mr. HOEKSTRA. Mr. Speaker, may I inquire as to the order of closing.

The SPEAKER pro tempore (Mr. ROSS). The Chair will recognize for closing speeches in the reverse order of opening, the gentleman from Michigan (Mr. HOEKSTRA), the gentleman from Texas (Mr. REYES) and the gentleman from Michigan (Mr. CONYERS).

The gentleman from Michigan (Mr. HOEKSTRA) has 1 minute remaining. The gentleman from Texas (Mr. REYES) has 45 seconds remaining. The gentleman from Michigan (Mr. CONYERS) has 1 minute remaining.

Mr. HOEKSTRA. Mr. Speaker, I thank my colleagues and thank you for this debate.

At this point in time to close our debate I would like to recognize the distinguished minority leader, Mr. BOEHNER of Ohio.

Mr. BOEHNER. Let me thank my colleague for yielding.

Mr. Speaker, in August the Congress passed the Protect America Act. Before that bill passed, our intelligence officials did not have the tools they needed to protect our troops and to detect and prevent terrorist plots. This was made clear in a story we read about just last month about our, how our FISA laws failed our soldiers who were kidnapped in Iraq, and I think these outdated laws actually hampered their rescue. That is because our FISA laws in place before the Protect America Act entrusted government lawyers, not our intelligence professionals, to protect our troops and our security.

Yet the bill we are considering today only makes this problem worse. It reopens the terrorist loophole and doesn't ensure that we can act quickly on vital intelligence to protect our troops and the American people. I think it would be a boon to trial lawyers who could take actions against third parties who assisted our government at our request after 9/11. It is yet another example of a troubling pattern of behavior on the part the majority, a pattern of behavior that is undermining our national security. Let me just give you a few examples.

The majority want to extend habeas corpus rights to terrorists. The majority has had over 40 votes in the Congress trying to force retreat in Iraq. The majority wants to close down our Guantanamo detention facility and move those terrorists into American communities. The majority, in their intelligence authorization bill and appropriation bill, are diverting key intelligence resources away from terrorist surveillance to study global warming.

In August, all the Members of this House succeeded in modernizing FISA and closing the terrorist loophole. We did so because terrorists were plotting to kill Americans and our allies, and there is no nice way of saying that. So why on Earth would we tie the hands of our intelligence officials again and open up this loophole that allows terrorists to jeopardize the safety of our troops and jeopardize the safety and security of the American people?

Our country is safer today because of our efforts, and Republicans want to work with Democrats to make the Protect America Act permanent. We were very close to a bipartisan agreement on this bill just about 5 weeks ago, very close. As a matter of fact, there was an agreement in principle until the ACLU got ahold of it and blew the entire bipartisan process up. I think the American people want us to do everything we can to make sure that they are safe and secure. The bill that we have before us will once again tie the hands of our intelligence officials and make America less safe. This is not the bill that I want to vote for.

Mr. REYES. Mr. Speaker, this bill, the RESTORE Act, is about balance. It is about putting checks and balances back in the process. It puts the FISA Court back in the process of protecting Americans. It corrects unchecked authority that we gave through the Protect America Act. Some would want us to continue to rubber-stamp what the administration wants. The American people deserve better.

Mr. Speaker, Halloween is over. Why do our colleagues continue to pull ghouls out of the closet? It is now time to talk turkey.

I yield back the balance of my time.

Mr. CONYERS. Mr. Speaker, I am privileged to yield the balance of our

time on our side to the distinguished gentlewoman from Texas, SHEILA JACKSON-LEE, an invaluable member of the Judiciary Committee.

Ms. JACKSON-LEE of Texas. I thank both chairmen, Chairman CONYERS for his leadership and Chairman REYES. In the month of August, I stood here and shredded paper to reflect that the vote we took on that bill was really a destruction of the Constitution. I am very glad to be able to stand here today to hold the Constitution sacredly in my hand and to indicate that this bill does, in fact, offer a restoration of the civil liberties of Americans but yet does not protect one single terrorist.

It is a bill that avoids reverse targeting of Americans. But it is a bill that provides the opportunity that if there was a pending threat against the United States, the Attorney General, the National Security Director, and three others could, in fact, prevent a terrorist act from occurring in the United States. This restores justice and it protects the American people.

Mr. Speaker, I rise today in support of H.R. 3773, introduced by my colleague Mr. CONYERS. Had the Bush administration and the Republican-dominated 109th Congress acted more responsibly in the 2 preceding years, we would not be in the position of debating legislation that has such a profound impact on national security and on American values and civil liberties in the crush of exigent circumstances. More often that not, it is true, as the saying goes, that haste makes waste.

Mr. Speaker, the legislation before us is intended to fill a gap in the Nation's intelligence gathering capabilities identified by Director of National Intelligence Mike McConnell, by amending the Foreign Intelligence Surveillance Act, FISA. It gives our intelligence professionals the tools they need to legally monitor suspect foreigners outside the United States, while protecting the fundamental rights of Americans at home.

Nearly two centuries ago, Alexis de Tocqueville observed that the reason democracies invariably prevail in any martial conflict is because democracy is the governmental form that best rewards and encourages those traits that are indispensable to martial success: initiative, innovation, resourcefulness, and courage.

The United States would do well to heed de Tocqueville and recognize that the best way to win the war on terror is to remain true to our democratic traditions. If it retains its democratic character, no nation and no loose confederation of international villains will defeat the United States in the pursuit of its vital interests. A major challenge facing the Congress today is to ensure that in waging its war on terror, the administration does not succeed in winning passage of legislation that will weaken the Nation's commitment to its democratic traditions.

This is why the upcoming debate over congressional approval authorizing the administration to conduct terrorist surveillance on U.S. soil is a matter of utmost importance. I offer some thoughts on the principles that should inform that debate.

In the waning hours before the August recess, the House acceded to the Bush administration's request and approved the woefully misnamed "Protect America Act," which gives the Federal Government enlarged powers to conduct electronic surveillance of American citizens under the guise of conducting surveillance of foreign terrorists.

Mr. Speaker, FISA has served the Nation well for nearly 30 years, placing electronic surveillance inside the United States for foreign intelligence and counter-intelligence purposes on a sound legal footing. Given the exigent circumstances claimed by the administration, I am prepared to support a number of temporary changes to FISA legislation, provided that they follow certain principles.

First, I am prepared to accept temporarily eliminating the need to obtain a court order for foreign-to-foreign communications that pass through the United States. But I do insist upon individual warrants, based on probable cause, when surveillance is directed at people in the United States. The Attorney General must still be required to submit procedures for international surveillance to the Foreign Intelligence Surveillance Court for approval, but the FISA Court should not be allowed to issue a "basket warrant" without making individual determinations about foreign surveillance. There should be an initial emergency authority so that international surveillance can begin while the warrants are being considered by the Court. And there must also be congressional oversight, requiring the Department of Justice Inspector General to conduct an audit every 60 days of U.S. person communications intercepted under these warrants, to be submitted to the Intelligence and Judiciary Committees.

This legislation allows the interception of electronic communications between foreigners outside of the United States without a warrant and permits the director of national intelligence and the attorney general to seek "blanket" warrants to intercept communications of people reasonably believed to be outside the United States, even if such communication happens to involve "U.S. persons." Wiretap surveillance could be conducted for 7 days before a warrant must be sought, and the secret Foreign Intelligence Surveillance court would have to act on the application for a blanket warrant within 15 days.

This legislation has many other important provisions. It affirms that FISA is the exclusive source of legal authority for conducting electronic surveillance for foreign intelligence. Crucially, it does not grant amnesty to telecommunications companies for any past violations of law. Finally, it gives the FISA Court more oversight authority and terminates the authorization to conduct foreign surveillance on U.S. soil after 2 years.

In all candor, Mr. Speaker, I must restate my firm conviction that when it comes to the track record of this President's warrantless surveillance programs, there is still nothing on the public record about the nature and effectiveness of those programs, or the trustworthiness of this administration, to indicate that they require any legislative response, other than to reaffirm the exclusivity of FISA and insist that it be followed. This could have been accomplished in the 109th Congress by passing H.R. 5371, the "Lawful Intelligence and Surveillance of Terrorists in an Emergency by NSA" Act, LISTEN Act, which I have cosponsored with the then ranking members of the Judiciary and Intelligence Committees, Mr. CONYERS and Ms. HARMAN.

The Bush administration has not complied with its legal obligation under the National Security Act of 1947 to keep the Intelligence Committees "fully and currently informed" of U.S. intelligence activities. Congress cannot continue to rely on incomplete information from the Bush administration or revelations in the media. It must conduct a full and complete inquiry into electronic surveillance in the United States and related domestic activities of the NSA, both those that occur within FISA and those that occur outside FISA.

The inquiry must not be limited to the legal questions. It must include the operational details of each program of intelligence surveillance within the United States, including: (1) who the NSA is targeting; (2) how it identifies its targets; (3) the information the program collects and disseminates; and most important; (4) whether the program advances national security interests without unduly compromising the privacy rights of the American people.

Given the unprecedented amount of information Americans now transmit electronically and the post–9/11 loosening of regulations governing information sharing, the risk of intercepting and disseminating the communications of ordinary Americans is vastly increased, requiring more precise—not looser—standards, closer oversight, new mechanisms for minimization, and limits on retention of inadvertently intercepted communications.

Mr. Speaker, the legislation before us is necessary. It is incumbent on the Congress to act expeditiously to amend existing laws so that they achieve the only legitimate goals of a terrorist surveillance program, which is to ensure that Americans are secure in their persons, papers and effects, but terrorists throughout the world are made insecure. The best way to achieve these twin goals is to follow the rule of law. And the exclusive law to follow with respect to authorizing foreign surveillance gathering on U.S. soil is the Foreign Intelligence Surveillance Act. It is my sincere hope that my colleagues will join together today in enacting important and much needed reforms to FISA.

Finally, Mr. Speaker, I am proud to support the Manager's Amendment to this legislation. This amendment clarifies that nothing in this act can be construed to prohibit lawful surveillance necessary to prevent Osama Bin Laden, al Qaeda, or any other terrorist organization from attacking the U.S., any U.S. person, or any ally of the U.S.; to ensure the safety and security of our Armed Forces or other national security or intelligence personnel; or to protect the U.S., any U.S. person, or any U.S. ally from the threat of WMD or any other threats to national security.

Mr. Speaker, even as we work to protect our Nation, we must remember the fundamental need to protect Americans. At bottom, America is its people connected to each other, and to past and future generations, as in Abraham Lincoln's unforgettable phrase, by "the mystic chords of memory stretching from every heart and hearthstone." America, in other words, is Americans coming together in a community of shared values, ideals and principles. It is those shared values that hold us together. It is our commitment to those values that the terrorists wish to break because that is the only way they can win.

Thus, the way forward to victory in the war on terror is for this country to redouble its commitment to the values that every American

will risk his or her life to defend. It is only by preserving our attachment to these cherished values that America will remain forever the home of the free, the land of the brave and the country we love.

H.R. 3773 does just that. It balances the interest in protecting the Nation from terrorists who would do us harm and, at the same time, ensures that the constitutional rights of American citizens and persons in America are not abridged. I strongly urge my colleagues to join me in supporting this legislation.

Mr. LANGEVIN. Mr. Speaker, I rise in support of H.R. 3773.

Today, as we have so many times in our history, we are wrestling with the question of how best to protect security while preserving liberty. That struggle has always been challenging, and the events of 9/11 made it even more so. But today, the RESTORE Act provides a carefully crafted solution to that problem.

We all recognize the gravity of the threats facing our country, and that is why this bill gives the Director of National Intelligence all the authority he has asked for to fight terrorism. The legislation updates FISA to address new developments in technology so that our intelligence activities are not constrained based on what method of communication suspects happen to be using or where the communication may be routed. The bill also clarifies that no warrant is needed for foreign-to-foreign communications. These are requests that the DNI has made and which are included in the bill.

However, unlike the so-called Protect America Act, which passed in August, the RESTORE Act provides for rigorous and independent oversight from the courts, the Congress, and the Department of Justice Inspector General.

Additionally, during the Intelligence Committee's consideration of the bill, I successfully offered an amendment to strengthen the oversight by preserving the FISA Court's role to review compliance with their rules every 90 days for the life of a court order. By having the FISA Court review the procedures and guidelines used by the DNI and Attorney General when determining that prospective targets are located outside the U.S., we provide another safeguard against the collection of communications of people inside the U.S. Finally, the bill requires greater congressional oversight of the program so that we can monitor how it is being implemented and make any changes that may become necessary.

Such rigorous oversight is why the Bush administration objects to this bill. To them, the Protect America Act that passed in August is just fine the way it is. They want unfettered authority, without checks and balances. But we have seen what happens when the administration is given free rein, and I will not let that happen again.

I want to be clear that this is not a perfect bill. While in theory it is a vast improvement over the Protect America Act, in reality, this legislation will only work if everyone involved follows the rules that Congress establishes and remains within the confines of the law. Like any program, and indeed more so than most, this one could be subject to abuse, and we must remain vigilant in our efforts to ensure that does not happen. We have included meaningful safeguards and significant checks and balances in this measure. However, these provisions are only as strong as the individuals and agencies implementing them. Congress must continue to conduct robust oversight and insist on the briefings and information to which we are entitled. If we fail in these efforts and abuses occur, we will have ourselves to blame.

Mr. Speaker, we have faced grave threats before. Our Constitution was drafted at a time when the very survival of our Nation was in doubt. Yet our Founding Fathers made the preservation of basic liberties part of the fabric of our national identity.

As Members of Congress, it is our sworn duty to defend the Constitution and the principles on which our Nation was founded. I urge my colleagues to support H.R. 3773, which protects security while preserving the liberties that make this country great.

Mr. MAHONEY of Florida. Mr. Speaker, I rise today in support of H.R. 3773, the RESTORE Act.

On my first day, I took an oath of office to support and defend the Constitution. Tonight we will vote to protect our Fourth Amendment rights by passing this bill. Never again will we give any person the ability to conduct surveillance on American citizens without court approval.

America must be vigilant in our fight against terrorism. Congress has a duty to give our intelligence agencies the tools they need to hunt down those who threaten our Nation while protecting the constitutional rights of every American.

The RESTORE Act gives the Attorney General and the Director of National Intelligence the flexibility they need to pursue the terrorists, while keeping the checks and balances enshrined in our Constitution.

Mr. Speaker, it is critical that our intelligence community have the resources necessary to protect America. It is also critical that Americans are protected from unreasonable searches and seizures. This bill accomplishes both of these objectives.

I urge my colleagues to vote in support of the RESTORE Act.

Mr. BLUMENAUER. Mr. Speaker, as a chamber, we have come a long way since August when the disgraceful ''Protect America Act'' was strong-armed into law. The RESTORE Act, a comprehensive and thoughtful overhaul of the Foreign Intelligence Surveillance Act, could not cut a more striking contrast.

Over the past 7 years I have been highly critical of Republican wiretapping legislation. I have voted against every effort to expand the ability of this administration to intrude in the lives and privacy of innocent citizens.

But this is a Democratic Congress and a Democratic bill. The RESTORE Act strikes an unprecedented balance between civil defense and civil liberties. I deeply appreciate the hard-won progress we've made on this issue and I am heartened by our leadership's determination to end a Republican legacy that so blatantly disregards the rights of ordinary Americans.

The bill before us will not solve every potential abuse of FISA, but it does greatly strengthen legal protections for Americans and introduces robust congressional oversight. As this issue continues to play out into the future, it is my hope that our next steps will include even stronger protections for innocent Americans, clearer legal standards for FISA to judge surveillance procedures, and explicit requirements for the destruction of unnecessary data.

Ms. BEAN. Mr. Speaker, I rise today in support of H.R. 3773.

Giving our intelligence community the tools they need to uncover threats to our Nation's security is one of Congress's most important duties. This bill soundly provides that.

This legislation explicitly clarifies that a warrant is not needed when conducting foreign to foreign surveillance. Importantly this bill also includes reasonable safeguards to ensure U.S. citizens at home and abroad are not subject to surveillance without proper oversight.

It lays out a responsible yet workable framework for the Director of National Intelligence and Attorney General to get FISA certification when U.S. persons may inadvertently be involved yet allows our intelligence community to act immediately in emergency situations prior to FISA court certification.

I commend the committee for its hard work on an issue important to our national security.

While Congress should continue to pursue all relevant information from the administration's surveillance program since September 11, 2001, telecommunications providers should not be held liable for providing requested information that they were told could prevent future attacks on our Nation.

An October editorial in the Washington Post noted that these companies were ''acting as patriotic corporate citizens in a difficult and uncharted environment.''

Therefore I support retroactive immunity for participating companies and I'm hopeful it will be included in the final bill.

With that, I urge my colleagues to support H.R. 3773.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today to voice my support for H.R. 3773—the Responsible Electronic Surveillance That is Overseen, Reviewed, and Effective (RESTORE) Act of 2007.

In August, Congress unfortunately passed the Protect America Act, a piece of legislation that allowed the surveillance activities of this Administration to go unchecked. Though I opposed that bill, the House was left little choice but to pass that flawed bill. While it is true that modernization of our foreign intelligence laws was necessary to meet the security and intelligence needs of this nation, the Protect America Act went beyond what was essential and instead allowed the continued infringement of American's civil liberties.

Thankfully, today we have before us a piece of legislation that gives the intelligence community the authority it needs to protect Americans while also protecting civil liberties that are the bedrock of our nation. This bill modernizes our foreign surveillance system and authorizes necessary funding for training, personnel and technology resources at DOJ, NSA and the FISA Court to expedite the FISA process. Additionally, it ensures that nothing inhibits lawful surveillance for the purpose of protecting the nation and the troops from threats posed by terrorists.

Also of great importance, unlike previous bills considered by the House, this bill includes vital checks and balances on the Administration. It prohibits warrantless surveillance of Americans and requires a court order before targeting Americans' phone calls or emails. It also requires a finding of probable cause before conducting surveillance on Americans abroad, which was not required under previous legislation. To ensure greater accountability, the legislation mandates audits on the

Administration's warrantless surveillance program and the communications collected under the program.

Most importantly, this legislation ensures that it is the courts and not the Administration that decides whether or not an American's communications are targeted. The bill requires the FISA Court to review targeting procedures to ensure that they are reasonably designed to protect Americans and target people outside the United States. It also requires the Court to review the Administration's compliance to ensure that when the government conducts electronic surveillance on Americans, it obtains traditional, individualized warrants from the FISA Court.

Mr. Speaker, for far too long this Administration has been able to extend its power and authority, often to the detriment and subversion of our nation's basic principles. Today, we are passing a bill that will finally curb the Administration's actions and restore a measure of accountability that has been sorely lacking for too long. For these reasons, I support the vitally necessary RESTORE Act.

Mr. DINGELL. Mr. Speaker, I voted against the original Patriot Act, I voted against the reauthorization of the Patriot Act in 2005, I voted against the President's Protect America Act that was signed into law last August, and I was prepared to vote against the RESTORE Act if it did not adequately protect our constitutionally guaranteed civil rights. I had strong reservations about this legislation when it was first reported out of Committee, particularly with respect to the degree it appeared to give the Administration the ability to monitor the conversations of U.S. citizens without an individualized warrant. However, after reviewing the changes made to this legislation in the managers' amendment, I am satisfied that the RESTORE Act now contains adequate Fourth Amendment protections.

I applaud Congressman HOLT for working with Chairmen CONYERS and REYES to address this issue. While this legislation is not perfect, I believe that it represents a substantial improvement over existing law. I realize it is likely we will find ourselves revisiting this issue again in the coming months when the Senate is finished with its own legislation on this matter. As this debate continues, I will continue to insist that any legislation I support contains adequate protections for civil rights.

Mr. STARK. Mr. Speaker, I rise today in support of the RESTORE Act. Unlike past national security measures, this bill will prevent the administration from violating our basic civil liberties in the name of its phony war on terror.

I appreciate the hard work of my colleagues, Chairmen CONYERS, REYES and HOLT. Thanks to their efforts, this bill is a marked improvement from the legislation President Bush requested and from the Orwellian ''Protect America Act'' the House passed in August.

Unlike the President's proposal and the legislation I voted against, the RESTORE Act will prevent domestic spying. As its name implies, this bill restores the judiciary's vital role in checking the administration's desire to conduct surveillance on whomever they want, whenever they want.

It prohibits the government from spying on Americans without the explicit approval of the FISA court. It also empowers the FISA court to determine if domestic communications picked up during blanket sweeps directed at international correspondence can be seized or searched.

Importantly, this bill does not grant immunity to telecommunications companies. The RESTORE Act will allow individuals who have had their rights violated to sue the telecommunications companies that made spying possible by sharing telephone conversations and email correspondence with the government.

The President has made it clear that he believes the three branches of government are "me, myself, and I." Thankfully, this legislation dissolves him of that notion and firmly re-establishing the important and necessary role that the judiciary plays in protecting our civil liberties.

I urge my colleagues to stand up in opposition to this President and vote yes to protect our civil liberties.

Mr. GORDON of Tennessee. Mr. Speaker, I would submit the following editorial from the Los Angeles Times for the RECORD.

[From the Los Angeles Times, Nov. 15, 2007]

WHEN THE CIA COMES CALLING

(By R. James Woolsey)

When I was director of Central Intelligence during President Clinton's first term, I had occasion to go hat in hand to the private sector several times. In one case, it was a detail that, if made public, could have caused a valuable source to be captured or killed; in another, there was a technical feature of a system in production that, slightly modified, was of great help to the nation. In these several cases, executives of American companies heard me out and willingly met my requests, to the substantial benefit of our national security.

They had no legal requirement to do so, and they knew it. They were helping solely out of a sense of patriotism and an understanding that some steps that the nation needs to take in a dangerous world cannot be taken in public, simply because informing the public informs an opponent or an enemy.

Shortly after 9/11, something similar happened. Senior U.S. officials asked telecommunications companies to assist the government in intercepts involving terrorist groups such as those that had just attacked us and killed thousands of people. In these cases, President Bush authorized the intercepts and the senior officials gave written assurances to the companies that their cooperation was legal.

In my judgment, the president acted properly; he had the authority under the Constitution to ask for such intercepts. In addition, his request was reasonable because surveillance of enemy-to-American communications is a time-honored means of intelligence gathering in the U.S. George Washington did it; those under his command intercepted and read correspondence between Benedict Arnold and his spy handler, foiling the plot to turn the fort at West Point over to the British.

But even if one believes the request was illegal and unreasonable—and there are distinguished constitutional lawyers and patriotic citizens on both sides of this debate—the issue currently before the Senate Judiciary Committee is much narrower. It is whether the telecommunications companies that complied with the president's request and trusted the government's assurances of legality should be granted immunity from about 40 lawsuits demanding billions of dollars.

Sen. John D. ''Jay'' Rockefeller (D–W.Va.), chairman of the Intelligence Committee, has stated that companies ''should not be dragged through the courts for their help with national security.'' And now Sen. Dianne Feinstein (D–Calif.), a member of the Judiciary Committee, has endorsed his statement, saying that the companies should not be ''held hostage to costly litigation in what is essentially a complaint about [Bush] administration activities.''

Feinstein is a member of the one-vote Democratic majority on the Judiciary Committee, and it is possible that her position will determine the outcome. I hope it does. Her stance is farsighted. Having once, when I was practicing law, taken depositions for months about a single one-hour meeting, I know something about how burdensome litigation can be. If, in the end, the surveillance request made by the government is deemed improper, the government should be held accountable, not those who complied with its request.

We live in a world of terrorism, the possible proliferation of nuclear weapons and a host of other risks to our security. Intelligence, and the cooperation of the private sector in obtaining and protecting it, will be among our most important tools to avoid catastrophes such as 9/11 or worse.

If some future senior government official needs to make a call on a CEO of the sort I did, and that others did after 9/11, we and our children will be better off if the official can answer the question ''Can you guarantee that my company won't be sued if we help the country?'' with ''If it happens, we'll get protective legislation approved as in 2007.'' We would be in much more danger if, because companies that helped after 9/11 became ensnared in years of litigation and financial losses, that official has to answer the question with a shrug.

Mr. UDALL of Colorado. Mr. Speaker, I have reservations about this bill, but I will vote for it today.

It is similar to one that I supported earlier this year but that failed to receive the two-thids vote necessary for passage under the procedure that applied to its consideration.

In my opinion, the RESTORE Act is far preferable to the legislation—the so-called ''Protect America Act''—that I voted against but which the House, to my regret, approved and is now law.

Fortunately, that law will expire early next year, so we have the opportunity—and, I would say, the responsibility—to replace it with a better, more balanced measure.

By a more balanced measure, I mean one that fulfills two equally important requirements—first, that of enabling our intelligence community to do its job to protect us against terrorism and other threats, and second, respecting and safeguarding the rights and liberties of all Americans.

And while this bill is not perfect, I think it does meet those tests and deserves to be passed today.

It is based on the legislation I supported earlier this year but in several important ways it is even better than that bill.

For example, it is more carefully focused, applying not to all foreign intelligence but specifically to intelligence collection related to terrorism, espionage, sabotage and threats to national security. It also provides that the minimization rules—the steps agencies will take to limit their actions so as to avoid inadvertent or unnecessary surveillance—as well as the guidelines for intelligence collection regarding all targets must be approved by the FISA court, not merely by an administrative monitor.

It includes critical language that says that actions in compliance with the Foreign Intelligence Surveillance Act, and with that law's

procedural safeguards, will be the exclusive means to conduct surveillance for intelligence purposes. And the bill restates current law stipulating that surveillance targeting Americans requires an individualized FISA court order.

It takes a great step toward greater accountability by requiring an audit of past surveillance activities by the National Security Agency and by mandating record-keeping on any interception of communications by American citizens and legal residents.

The bill eliminates ambiguous language in the ''Protect America Act'' that appeared to authorize warrantless searches inside the United States, including physical searches of homes, offices, and medical records. And it makes clear that the Administration cannot conduct surveillance against Americans without probable cause—even if they are outside the United States.

Furthermore, this bill, like the one hastily passed earlier this year, is not permanent but will expire at the end of 2009, at which time Congress will be able to reconsider it with the benefit of greater knowledge of how it has worked in practice and whether further refinements should be made.

Also important is what the bill doesn't do. It does not provide constitutional protections to foreign terrorists. The bill does not require the government to obtain a FISA order in order to intercept ''foreign to foreign'' communications of suspected terrorists, even if these communications pass through the United States. Nor does this bill permit the National Security Agency to collect the communications of Americans through a ''basket'' court order. Instead, the bill requires the Administration to certify that the targets are not Americans, and if it wants to conduct surveillance on Americans, the Administration must get a formal FISA order.

And, as now amended, it includes additional language to make clear that there are other things it will not do. Specifically, it will not prevent the lawful surveillance necessary to: prevent Osama Bin Laden, al Qaeda, or any other terrorist organization from attacking our country, our people, any of our allies. It will not prevent surveillance needed to ensure the safety and security of our Armed Forces or other national security or intelligence personnel. It will not prevent surveillance needed to protect the United States, the American people, or any of our allies from the threat of weapons of mass destruction or any other threats to national security. And it will not prohibit surveillance of, or grant any rights to, undocumented aliens.

The bill does grant authority to the Director of National Intelligence and the Attorney General to apply to the FISA court for a single court order, or a ''basket'' order, authorizing surveillance of a suspected terrorist organization abroad for up to one year, as long as there are procedures in place to ensure that only foreigners are targeted and the rights of Americans are preserved.

In general, I am wary of the concept of broad scope ''basket warrants,'' which are not normal under our laws. But I am prepared to support this part of the bill on the understanding that it is limited in scope and not applicable within the United States and with the expectation that the question will be revisited if the audits indicate a need for reconsideration of this part of the legislation. In this context, I am glad to note that this legislation is not permanent and will expire at the end of 2009.

President Bush has criticized the bill, in part because it does not include a provision granting retroactive immunity for telecommunications companies that assisted in the Administration's secret surveillance program without a warrant. I think it might be appropriate to consider such a provision, but not until the Bush Administration responds to bipartisan requests for information about the past activities of these companies under the program. I am not ready to grant immunity for the companies' past activities while we don't know what activities would be covered.

Mr. Speaker, this bill is not perfect, but I am not prepared to insist on perfection at this point. I believe we must do all we can to correct the shortcomings of the ''Protect America Act,'' even if it takes Congress a number of attempts to get it right. The RESTORE Act will give the Administration the authority it says it needs to conduct surveillance on terrorist targets—while restoring many of the protections that the ''Protect America Act'' has taken away. For that reason, I will vote for this bill today.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 746, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SMITH OF TEXAS

Mr. SMITH of Texas. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SMITH of Texas. I am in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Smith of Texas moves to recommit the bill, H.R. 3773, to the Committee on the Judiciary with instructions to report the same back to the House promptly with the following amendments:

In section 18 in the heading, strike ''**ALIENS**'' and insert ''**ALIENS, STATE SPONSORS OF TERRORISM, OR AGENTS OF STATE SPONSORS OF TERRORISM**''.

In section 18, strike ''This Act and'' and insert ''(a) IN GENERAL.—This Act and''.

In section 18, strike ''United States'' and insert ''United States, a State sponsor of terrorism, or an agent of a State sponsor of terrorism''.

At the end of section 18 add the following new subsection:

(b) STATE SPONSOR OF TERRORISM DEFINED.—In this section, the term ''State sponsor of terrorism'' means a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act) (50 U.S.C. App. 2405), section 40 of the Arms Export Control Act (22 U.S.C. 2780), section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), or any other provision of law, to be a government that has repeatedly provided support for acts of international terrorism.

In paragraph (1) of the undesignated section relating to Surveillance to Protect the United States added to the bill pursuant to the adoption of House Resolution 824, insert ''members of the al-Quds Iranian Revolutionary Guard,'' after ''al Qaeda,''.

In the undesignated section relating to Surveillance to Protect the United States added to the bill pursuant to the adoption of House Resolution 824, strike ''This Act and'' and insert ''(a) This Act and''.

At the end of the undesignated section relating to Surveillance to Protect the United States added to the bill pursuant to the adoption of House Resolution 824 add the following new subsection:

(b) Notwithstanding any other provision of this Act, or the amendments made by this Act, the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))) shall be permitted to conduct surveillance of any person concerning an imminent attack on the United States, any United States person, including a member of the United States Armed Forces, or an ally of the United States by Osama Bin Laden, Al Qaeda, members of the al-Quds Iranian Revolutionary Guard, or any other terrorist or foreign terrorist organization designated under section 219 of the Immigration and Nationality Act.

Mr. SMITH of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read.

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

Mr. CONYERS. Mr. Speaker, I reserve a point of order, and I object to waiving the reading of the motion to recommit.

The SPEAKER pro tempore. The point of order is reserved.

The Clerk will read.

The Clerk concluded the reading of the motion.

□ 2015

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas is recognized for 5 minutes in support of his motion.

Mr. SMITH of Texas. Mr. Speaker, the motion to recommit says ''promptly,'' because the bill needs to go back to committee immediately. Members were given almost no notice of what was going to be in this bill. There are many questions remaining about the text because it has not gone through the regular committee process.

This motion addresses a major problem created by the manager's amendment. Under existing law, court orders are required to conduct certain surveillance of illegal immigrants within the United States. Section 18 of the manager's amendment strips away any rights that illegal immigrants have under FISA, stating clearly that there will be ''no rights under the RESTORE Act for undocumented aliens.''

If that is really what the Democratic leadership wants to do, then we should ensure that the legislation does not treat terrorists more favorably than illegal immigrants. To fix this problem, the motion adds ''state sponsors of terrorism and their agents'' to section 18

to ensure that they are treated equally. There is no reason that the law should provide greater protection to terrorists than to illegal immigrants.

Also, the motion preserves the ability of our intelligence community to conduct surveillance of Osama bin Laden, al Qaeda, the Iranian Revolutionary Guard, and other terrorist organizations to protect America from an imminent terrorist attack. When faced with a life-or-death situation, a ticking bomb, an imminent threat of attack, do we really want to subject intelligence agents to unnecessary legal hurdles in order to protect our country?

The RESTORE Act hinders our intelligence community's ability to collect foreign intelligence needed to prevent al Qaeda and other terrorists from attacking our country. It requires the government to obtain court orders to conduct surveillance of overseas terrorists. The implication of this requirement, Mr. Speaker, could be catastrophic.

Mr. Speaker, I yield the balance of my time to the gentleman from Michigan (Mr. HOEKSTRA), who is the ranking member of the Intelligence Committee.

Mr. HOEKSTRA. Mr. Speaker, the new manager's amendment that self-executed with a rule this morning included broad new language that would treat illegal immigrants differently than other threats to the homeland. This was a poorly conceived and ill-advised provision that has created a lot of confusion.

Through the day, when we discussed the rule this morning, as we had the debate tonight, I had a series of questions: Would this amendment allow surveillance against possible illegal aliens for law enforcement purposes? Would it allow surveillance to determine whether someone is an alien not permitted to be in or remain in the United States?

During the rule, I was told I would get the answers during general debate. During general debate there was nothing but silence.

If we take a look at the bill, for a month we have been dealing with a bill that provided protections and legal protections to terrorists. Overseas terrorists having access to the courts, having warrants, and those types of things were moved. Then today, at the last minute, or yesterday at the last minute, we get an amendment, a manager's amendment, that provides or, it appears, rips away any type of protection for another threat.

Is the majority saying that the threat to the homeland is greater for aliens, illegal aliens living in the United States, than state sponsors of terrorism? It appears that it does because they have 40 or 50 pages of protections and a paragraph of exceptions that says: ''No rights under the RESTORE Act for undocumented aliens.'' Many on our side may think that that is a good idea.

What this manager's amendment says very simply is if there are no rights under the RESTORE Act for undocumented aliens, maybe we should put that same provision in here for state sponsors of terrorism and agents of sponsors of terrorism. It's very clear. We think that if a threat to the homeland, as identified by the other side, are illegal aliens, perhaps it's also time that we recognize that state sponsors of terrorism pose the same type of threat to the United States.

Is the majority saying that illegal aliens are a greater threat to the United States than Cuba, than Iran, North Korea, Sudan and Syria? It appears from the bill that we have before us tonight that is exactly what they are saying, because they have 50 pages of protections and one page of exceptions.

Let's make sure that we treat illegal aliens the same way we treat North Korea and Cuba.

The SPEAKER pro tempore. Does the gentleman from Michigan continue to maintain his reservation?

Mr. CONYERS. Mr. Speaker, I do not insist upon my point of order.

The SPEAKER pro tempore. The reservation is withdrawn.

Mr. CONYERS. Mr. Speaker, I rise to respond to the motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the motion to recommit?

Mr. CONYERS. Mr. Speaker, I am.

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, ladies and gentlemen of the House, here we are again at another one of these so-called motions to recommit. Approach them with great care. I strongly oppose this motion.

The minority has just made it clear that they are not seeking to change the bill; they are seeking to kill the bill. The tactic is getting pretty old in the House of Representatives. If they wanted to vote on their proposal today, they would have used the word, doesn't everybody know it now, ''forthwith,'' as I have suggested. But they have refused under well-established House rules and precedents.

Other words do not have that effect, even if they sound like they should. The minority used the word ''promptly.'' It's no accident that they chose that word. The authors of this motion know full well the effect of choosing this word, and so do we. That is why they chose it. They wanted to send the bill back to the graveyard, which is what will happen if this motion is adopted.

I would now yield to the gentlewoman from California (Ms. ZOE LOFGREN).

Ms. ZOE LOFGREN of California. Mr. Speaker, I would note that the motion to recommit itself leads to a nonsense sentence, adding ''United States, a State sponsor of terrorism,'' to section 18. It's inexplicable nonsense. It also guts the bill.

On August 2, I rushed to the floor to say that we were passing a bill that was a terrible offense to the Constitution. It gutted the fourth amendment. This bill does not. Mr. Speaker, I urge its passage.

Mr. CONYERS. Mr. Speaker, I am proud to yield to the distinguished chairman of the Intelligence Committee, the gentleman from Texas (Mr. REYES).

Mr. REYES. I thank the gentleman for yielding.

Mr. Speaker, this is a sham solution in search of a problem. This language is unnecessary, and it would kill this bill. The bill already states that this act and the amendments made by this act shall not be construed to prohibit the intelligence community from conducting lawful surveillance that is necessary, one, to prevent Osama bin Laden, al Qaeda, or any other terrorist or terrorist organization from attacking the United States. It also provides the means to protect the United States, any United States person or any ally of the United States from threats posed by weapons of mass destruction or other threats of national security.

Mr. Speaker, the answer to the ranking member's question about undocumented aliens, all they have to do is check section 235 and 287 of the Immigration and Naturalization Act. This does not confer any additional rights not provided by the Constitution.

Mr. CONYERS. I thank the chairman.

I am really moved by the sudden concern for immigration rights that the other side has begun to display, to my surprise.

I yield now to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. I thank the gentleman for yielding. I think this has been an interesting debate. I have sat through every minute of it. During the debate on the rule, I spoke for this bill and for the rule; and now I speak strongly against this motion to recommit. As you have already heard, it is redundant. We have inserted language in this bill that takes care of the problem. In the manager's amendment, language was added at the request of the Blue Dogs, and I am proud to be a co-chair of the Blue Dog Coalition, and that language specifically refers to terrorist organizations, and the Revolutionary Guards are one such organization.

So I would like to say for two reasons there's no need to support this motion to recommit: one, it kills the bill by using the word ''promptly''; number two, it is redundant with excellent language that we added to the bill in the manager's amendment. As I have said before, this is not a zero sum game. We don't get more security and less liberty or more liberty and less security. We either get more of both or less of both.

These amendments carefully restore, it's called the RESTORE Act, the balance of the Foreign Intelligence Surveillance Act, which Congress wisely

passed 20 years ago. Vote for this bill and against the motion to recommit. We will restore that balance.

PARLIAMENTARY INQUIRIES

Mr. WESTMORELAND. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WESTMORELAND. Mr. Speaker, is it not true that if indeed this motion passed, this bill could be reported back to the two respective committees to which it is designated and that the bill could be reported back to the House on the next legislative day?

The SPEAKER pro tempore. As the Chair reaffirmed on October 10, 2007, the adoption of a motion to recommit with instructions to report back promptly sends the bill to committee, whose eventual report, if any, would not be immediately before the House. Unlike the case of a motion to recommit with instructions to report back forthwith, a motion to recommit with ''non-forthwith'' instructions does not operate in real time. As the Chair put it on May 24, 2000: ''At some subsequent time the committee could meet and report the bill back to the House.''

Mr. FRANK of Massachusetts. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FRANK of Massachusetts. Mr. Speaker, would adoption of the motion to recommit promptly have the effect of suspending any of the committee or House rules which require certain numbers of days before action can be taken?

The SPEAKER pro tempore. Although the Chair does not interpret the substance of a pending proposition, the Chair can make an observation about its procedural attributes. Thus, the Chair will observe that an order of recommital does not necessarily forestall the operation of a committee rule otherwise applicable to further proceedings.

Mr. WESTMORELAND. Mr. Speaker, further parliamentary inquiry. Is it not true that different committees have different rules and that some committees have emergency rules where these bills can be brought back to the floor as early as the next legislative day?

The SPEAKER pro tempore. The Chair cannot say what in the rules of a committee might constrain the timing of any action it might take. Neither can the Chair render an advisory opinion whether points of order available under the rules of the House might preclude further proceedings on the floor.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

Mr. SMITH of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 3773, if ordered; and motion to suspend the rules on H.R. 4136.

The vote was taken by electronic device, and there were—yeas 194, nays 222, not voting 16, as follows:

[Roll No. 1119]

YEAS—194

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Fallin
Feeney
Ferguson
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
McNerney
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—222

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Petri
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—16

Bono
Carson
Cubin
Doyle
Everett
Jindal
Kucinich
LaHood
Mack
McCaul (TX)
Nunes
Oberstar
Paul
Slaughter
Taylor
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in the vote.

□ 2048

Messrs. ELLISON and OLVER changed their vote from ''yea'' to ''nay.''

Messrs. CRENSHAW, JOHNSON of Illinois and MCHENRY changed their vote from ''nay'' to ''yea.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. SLAUGHTER. Mr. Speaker, on rollcall No. 1119, had I been present, I would have voted "nay."

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. CONYERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 227, noes 189, not voting 16, as follows:

[Roll No. 1120]

AYES—227

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Duncan
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Flake
Frank (MA)
Giffords
Gilchrest
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inglis (SC)
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOES—189

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Ehlers
Emerson
English (PA)
Fallin
Feeney
Ferguson
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Issa
Johnson (IL)
Johnson, Sam
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Bono
Carson
Cubin
Deal (GA)
Doyle
Everett
Hayes
Higgins
Hunter
Jindal
Kucinich
LaHood
Mack
Oberstar
Paul
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain on this vote.

□ 2055

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HIGGINS. Mr. Speaker, on rollcall No. 1120, I was unavoidably detained and missed the vote on bill H.R. 3773, the Restore Act. Had I been present, I would have voted "aye" on passage.

Stated against:

Mr. HAYES. Mr. Speaker, on rollcall No. 1120, had I been present, I would have voted "no."

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has agreed to without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 259. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House it requested:

S. 2371. An act to amend the Higher Education Act of 1965 to make technical corrections.

ENHANCING THE EFFECTIVE PROSECUTION OF CHILD PORNOGRAPHY ACT OF 2007

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 4136, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. CONYERS) that the House suspend the rules and pass the bill, H.R. 4136, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 416, nays 0, not voting 16, as follows:

[Roll No. 1121]

YEAS—416

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella

Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Waxman
Weiner
Welch (VT)
Weldon (FL)
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—16

Bean
Bono
Carson
Cubin
Doyle
Everett
Hill
Jindal
Kucinich
LaHood
Mack
Oberstar
Paul
Udall (NM)
Watt
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain on this vote.

□ 2103

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3773, RESTORE ACT OF 2007

Mr. CONYERS. Madam Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 3773, the Clerk be authorized to correct section numbers, cross-references, punctuation, and indentation, and to make other technical and conforming changes as necessary to reflect the actions of the House.

The SPEAKER pro tempore (Mrs. TAUSCHER). Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The unfinished business is further consideration of the veto message of the President on the bill (H.R. 3043) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The gentleman from Wisconsin (Mr. OBEY) is recognized for 1 hour.

Mr. OBEY. Madam Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from New York (Mr. WALSH).

GENERAL LEAVE

Mr. OBEY. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on H.R. 3043.

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

There was no objection.

Mr. OBEY. I yield myself 30 seconds.

Madam Speaker, I think we have an understanding that the other side will have two statements; we will have one. We do not expect to take anywhere near the full hour.

I reserve the balance of my time.

Mr. WALSH of New York. Madam Speaker, Mr. Chairman, I do not intend to take a lot of time since this is the sixth time this year that I have spoken on this legislation, twice in committee and now four times on the floor of this House.

I would like to thank Chairman OBEY and to thank his staff for the good, solid work product that they have delivered. I have enjoyed our work together this year, and as I said before, this bill, the people's bill, is a thoughtful piece of legislation.

If Congress does not override the President's veto, I will look forward to working with the chairman to negotiate a good bill that can be enacted. If the veto is sustained, I would hope that all parties, the White House and both houses of Congress, will come together quickly and work in good faith to complete the appropriations process in a timely manner.

There is no good reason why we can't compromise this bill. In times past, people in this body of good faith have overcome differences far greater than we have tonight.

If the proposal is to split the difference, to reduce the amount of spending above the President's request by $11 billion, I would advise the President to take ''yes'' for an answer.

Let's go home for Thanksgiving, thank God for all the blessings that He has bestowed upon this country, and pray for wisdom and good sense, and come back and get our work done in December.

I yield the balance of my time to the distinguished ranking member of the committee, the gentleman from California (Mr. LEWIS).

(Mr. LEWIS of California asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of California. Madam Speaker, I had planned to make a 10-minute, maybe even a 20-minute speech this evening expressing my concerns about the Labor-HHS conference report. However, given the late hour and Members' desire to join their families for the Thanksgiving Day holiday, I will submit my written statement for the RECORD.

As I do so, Madam Speaker, I am reminded of the words of my friend Will Rogers, whose statue stands outside the door of this very Chamber. He said, ''Never miss a good chance to shut up.''

With that, I urge a vote to sustain the President's veto, and I yield back the balance of my time.

Madam Speaker, here we are on November 15th and only two appropriations bills have been sent to the President—only one of which was enacted. I must confess that I find it quite ironic that the majority party spent the better part of the beginning of this year criticizing Republicans for not getting our work done in a

timely fashion when now those same critics find themselves in an identical, or perhaps even worse, situation.

For those of us who serve on the Appropriations Committee, this will be the sixth time we have voted on this bill this year. Six times! It is the fourth time the full House will have voted on it.

The fiscal year 2008 Labor, Health and Human Services, and Education, and Related Agencies bill reflects a fundamental difference in opinion on the level of funding necessary to support the Federal government's role in education, health, and workforce programs. Regardless of that disagreement, House Republicans agree that many of the programs funded in this bill are vitally important. The majority party would have the public believe otherwise.

The recent rhetoric we have heard with respect to the president's veto of this bill diminishes all that we do as elected officials, and it does not serve this Congress or our country well. It is targeted at raw, base emotions rather than fact. It is intended to mislead the American people. It is, in short, intended for political gain.

The primary difference between the parties on this bill is that Republicans believe we must balance the benefits of these worthwhile programs with the fact that the American taxpayer must pay for them.

The vetoed bill that we are being asked to consider today is nearly $10 billion over the President's budget request and $6 billion over the fiscal year 2007 enacted level. It represents roughly half of the $22 billion the majority party in this Congress wants to spend over what the president requested.

When Labor-HHS Chairman Neil Smith—a Democrat—presented his bill in 1994, it totaled $65 billion. If you had predicted in 1994 that the very same bill—which largely covers the same agencies today as it did then—would increase by $85 billion over the next 13 years, the Chairman of the full Committee—who happened to be DAVID OBEY—probably would not have believed it.

Let's put that into perspective. In 1994 the Defense bill spent $242 billion. The Defense bill signed just this week spends $459 billion. That is an 89 percent increase over thirteen years for a function that is quite clearly and constitutionally the primary responsibility of the Federal Government—defending our home, our citizens and our way of life against foreign threats. This bill contains a 130 percent increase since 1994—it has more than doubled in size!

By any objective standard—whether you are JERRY LEWIS or DAVID OBEY—that is a healthy increase.

And today, the House is being asked to override the president's veto and spend nearly $10 billion more than was requested and $6 billion more than last year under the mistaken notion that throwing money at our nation's problems will cause them to fade away.

Under the mistaken notion that the Federal Government is the panacea—

That government health insurance is the answer for the uninsured;

That the judgment of bureaucrats in Washington who contribute only 9 cents of every dollar spent to educate our children is superior to the judgment of parents and local school districts who face very different circumstances across our country;

That job training is somehow the responsibility of the Federal Government rather than of schools, private employers and individuals.

I contend that government is not the long-term solution. While government offers safety net programs that I support, these programs are and should be short-term solutions to help our fellow citizens move toward self-sufficiency. These programs are meant to be a hand up, not a hand out.

As we move forward with consideration of these FY 2008 appropriations bills, Members of Congress ought to be aware that voting to override the president's vetoes on this and other appropriations bills—in short, voting to support this majority's spending spree—will increase the average annual burden on the individual taxpayer by roughly $3,000.

That is $3,000 that cannot be used to buy food, to save for college, to pay for health insurance, or, for that matter, to contribute to public television.

Finally, I must express my dismay at remarks made by the chairman of the committee with respect to the fate of member projects if this veto is sustained. I would hope that my colleagues do not take the bait on what I consider an inappropriate threat that suggests that members care more about pork than they do about bad fiscal policy.

Mr. OBEY. Madam Speaker, I yield myself 10 minutes.

Madam Speaker, I recognize Members want to get out of here and, as I indicated, we are going to facilitate that. But this is an important issue, and it deserves a few minutes of discussion.

As I said on the floor last week, in November I believe the American people sent two messages to this body and to the White House. Number one, they wanted a change in policy in Iraq; and, number two, they wanted a change in domestic priorities here at home.

I think that the White House, by its insistence on no compromise on both the Iraqi front and on the domestic appropriations front, has indicated that it would prefer to tell the American people: We don't care what you thought you were telling us in November, we are going to do it our way; and, it is our way or the highway.

Madam Speaker, it is simply not credible for a President who is asking us to spend $200 billion in additional money in Iraq, it is not credible for a President who is asking us to spend $50 billion to $60 billion again this year on tax cuts for people who make over $1 million a year, to then say that we cannot afford to make basic investments in education, in health care, in medical research.

The President insists that we follow his budget with respect to this bill. If we do, we would cut vocational education 50 percent; we would eliminate every student aid program except Pell Grants and work study; we would cut handicapped education by $300 million; we would cut mental health resources by $100 million; we would cut the training in children's hospitals by 63 percent; we would cut rural health by 54 percent; and, we would cut low-income heating assistance by 18 percent.

The gentleman from New York mentioned the need for compromise on this bill. We have already had incredible compromise. We have had compromise on virtually every item in this bill, on every issue ranging from family planning to special education, and the minority has been involved every step of the way. When the bill was reported out of subcommittee, every single member of the subcommittee signed the committee report, and yet today we face a Presidential veto.

Madam Speaker, I want to make one thing clear. We have said from the beginning to the White House we would like to compromise. We have asked the White House, I have asked Mr. Nussle, I know our leadership has asked the President personally, to sit down and work out our differences. We have been told as recently as last Saturday by the press secretary speaking for the White House that the White House had no intention of compromising, and that all the Congress had to do to meet the President's standards was to submit a bill which was fully identical with his budget.

□ 2115

I'm sorry, this is an independent branch of government, and we have an obligation to do better than that.

Now, I was asked by a number of members of the press earlier today why the Senate majority leader had released information indicating that I and Senator BYRD were in the process of trying to put together a split-the-difference appropriation bill for all of the remaining appropriation items that still have yet to be finished. I want to take this opportunity to explain why we've done that.

People might like to cast a vote without having to take responsibility for knowing the consequences, but there are severe consequences for voting against overriding the President's veto of the Labor-Health-Education bill.

If this veto is not overridden, the best that could happen is that we will wind up splitting the difference with the President's wholly inadequate budgets. If we were to do a 50 percent cut to the difference between the Labor-Health-Education bill and the President's budget, what will that mean for the programs that so many Members of Congress claim that they are for?

For medical research into diseases like cancer, Parkinson's and diabetes at the National Institutes of Health, meeting the President halfway would put us $700 million below the bill we are considering today. That means 700 fewer grants for research to treat and cure all of the deadly diseases that all of us like to tell our constituents we're sworn to try to overcome. I don't want to have to go back home and explain that kind of cut in NIH, but that's one of the things that will happen undoubtedly, if this veto is not overridden tonight.

For health care access, to provide 1.2 million more Americans with access to community health centers, this bill is

$200 million above the President's request. Under a split-the-difference scenario, access for 600,000 Americans will evaporate.

Likewise, this bill provides $95 million so that 200,000 Americans who can't get insurance because they are medically high risk will have access to health insurance at the State level. That insurance also evaporates for 100,000 people if we split the difference.

Under the President's budget, vocational education would be cut by 50 percent. This bill eliminates that cut, but meeting him halfway would still mean a 25 percent cut.

My Republican colleagues worked hard to push funding up for special education, even beyond what I had proposed in committee, funding the program $800 million above the President's request. Defeat of this bill will slash that increase by $400 million.

This bill provides $400 million above the President to serve nearly 120,000 more low-income kids with title I grants. But 60,000 of those kids will be out of luck if we meet the President's budget halfway.

For the LIHEAP program, this bill also helps around 1½ million more families to pay their energy bills by providing $630 million more than the President's budget. Anyone who votes against this bill will be making inevitable at least a $315 million cut. That means 750,000 fewer families will have help this winter.

Now, please remember, everything that I've described is, at best, a best-case scenario if this bill is defeated and we have to pursue a split-the-difference alternative. In fact, as long as a sufficient number of Republican Members continue to follow the President's budget priorities, the result is likely to be even worse. Those who vote against overriding this veto will take full responsibility for the cuts in these essential investments.

I would like to make one other point. I know most of you on that side of the aisle, and I recognize that there are probably 50 or 60 of you who are so indifferent to these programs that you could care less what happens, but I don't believe that that's true about the rest of you. I think you care about America's children as much as I do. I think you care about medical research as much as I do. And many of you have told me that you wish you could vote for this bill, but your party leadership won't give you a permission slip.

I ask you to use your own judgment. I ask you to recognize that this issue may not be important to you, but it's important to the American families who are affected by what you do here tonight. It affects the quality of their education; it affects the degree to which we will protect the health and safety of American workers; it protects our ability to dig into the problem of serious disease across the board.

You know in your hearts that this is a decent bill. This is a bipartisan product put together in a bipartisan way. It deserves a bipartisan vote.

Mr. GENE GREEN of Texas. Madam Speaker, I support this effort to override the President's veto of the fiscal year 2008 appropriations bill funding the Departments of Labor, HHS, and Education.

After years of too little attention to our important domestic programs, this legislation makes important investments in our health care and education programs. Several years of flat funding and small increases have resulted in funding reductions for the health, education and labor programs that Americans rely on every day.

I am pleased that the bill provides the National Institutes of Health with a 4-percent increase over current funding levels. The $30 billion in this legislation will help expand our nation's commitment to life-saving medical research, much of which is performed in my back yard at the Baylor College of Medicine, the MD Anderson Cancer Center and many other impressive research facilities located in the Texas Medical Center.

I also support the legislation's $225 million increase for the Health Centers program. I know the administration supports this program, but by vetoing this bill, the President puts in jeopardy our goal to expand the program to a level that will provide 30 million Americans with a health care home.

H.R. 3043 also provides $200,000 in funding for Gateway to Care, for the Community Health Center Technology Improvement Program. Gateway to Care is the community health care access collaborative in Harris County.

Gateway to Care will utilize this funding to help coordinate the deployment of health information technology among the county's health care clinics. This funding will allow Gateway to Care to offer technical support to the developing health centers in Harris Co. during the implementation of a common Management Information System.

Additionally, this funding will allow Gateway to Care staff to lead workforce development and training activities at health centers to utilize technology to improve the business management and health care delivery in area health centers.

In this bill, the appropriators also generously dedicated $415,000 in equipment funding for the Harris County Hospital District's Diabetes Program.

This project would help the Harris County Hospital District procure the necessary equipment to establish a Diabetes Program, which will provide comprehensive diabetes care in an appropriate setting for a multi-ethnic, indigent population.

The interdisciplinary program will include an outpatient referral center, diabetes specialists, educators, nurses, nutritionists, social workers, case managers and specialist services related to the screening and treatment of diabetes complications.

Houston is the only large city in the U.S. without a single comprehensive diabetes program, which is why this funding is so important to our community. The establishment the diabetes program at the Harris County Hospital District would improve health outcomes for its 40,000 patients with diabetes.

I want to thank the Appropriations Committee for all of their hard work on this bill. This piece of legislation provides critical and necessary funding for programs that all of our districts need.

Madam Speaker, I again urge my colleagues to join me in supporting this veto override.

Mr. UDALL of Colorado. Madam Speaker, I rise today in support of this veto override.

The conference report includes funding for many important programs and I am disappointed that the President has vetoed it. I recognize that the conferees had a challenging task in shaping the report because of budget constraints, but Congress did a good job balancing critical health, education and labor needs with the tight budget.

This conference report provides much needed funding for health, education and labor programs for the nation and for Colorado. For example, included in the overall increase for the Department of Health and Human Services is an increase in funding for essential research at the National Institute of Health (NIH) to increasing health care access in rural areas, as well as additional funding for the Center for Disease Control (CDC). It also includes critical funding increases for several important education programs, including No Child Left Behind, Individuals with Disabilities Act (IDEA), and Pell Grants. I am also pleased the labor provisions of this report reflect a new direction and commitment to expanding job training and enhancing the safety of workers, by increasing funding for a number of employment, education, and protection programs for the American workforce.

I am encouraged that the report includes an increase in funding for the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is a critical program that helps many Colorado families, who are struggling to get by, avoid having to make choices between paying their heating bill and putting food on the table. The conference report will increase funding for this program by $250 million over the fiscal year 2007 budget.

There are also critical Colorado-specific funds in the report. The report contains funding for Children's Hospital of Denver to help build the North Campus Ambulatory Surgery Center, which will broaden access to pediatric care in the north Denver metro area. This new development will also add more convenient alternative to patients, families, pediatricians, and physicians while also decreasing the burden on other health centers in the Denver metro area.

It also contains funding for Avista Hospital, a leader in the Electronic Medical Record field, to help Avista continue to implement a cutting edge system.

The funding for programs included in this report is a cause for celebration, not a veto. The President's budget request underfunded many of these critical programs and I am pleased that Congress has crafted a much better appropriations plan. While I am disappointed in the President's veto of the conference report, I am encouraged that we are attempting to override that veto today. This report is good for Colorado, good for the country and I encourage my colleagues to support it.

Mr. VAN HOLLEN. Madam Speaker, today Republicans in Congress ignored the will of the American people and rubber-stamped the President's veto of important funding for our domestic priorities. After 7 years of unrestrained spending and a ballooning deficit, the President and his Republican allies in Congress have, under the guise of fiscal responsibility, rejected a $6.2 billion funding increase

for education, health care, and workforce development, even as the President requests nearly $200 billion in unbudgeted, no strings attached funding to continue the Iraq War for another year. That is no way to balance America's checkbook.

Under the budget passed by the New Democratic Congress, we can take care of America at home—increase funding for our schools, offer more student assistance for college, invest in biomedical research at NIH, expand health care access, and help Americans compete in the global economy—and balance the budget by 2012. These priorities are America's priorities, and Democrats in Congress will continue to fight for them.

Mr. OBEY. I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, the vote must be by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 277, nays 141, not voting 15, as follows:

[Roll No. 1122]

YEAS—277

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Buchanan
Butterfield
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castle
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fortenberry
Frank (MA)
Frelinghuysen
Gerlach
Giffords
Gilchrest
Gillibrand
Gonzalez
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Kirk
Klein (FL)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Perlmutter
Peterson (MN)
Peterson (PA)
Pickering
Platts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden (OR)
Walsh (NY)
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Whitfield
Wilson (NM)
Wilson (OH)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NAYS—141

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Doolittle
Drake
Dreier
Duncan
Fallin
Feeney
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gingrey
Gohmert
Goode
Goodlatte
Granger
Hall (TX)
Hastert
Hastings (WA)
Heller
Hensarling
Herger
Hobson
Hoekstra
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jones (NC)
Jordan
King (IA)
King (NY)
Kingston
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Petri
Pitts
Poe
Price (GA)
Putnam
Radanovich
Renzi
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Walberg
Wamp
Weldon (FL)
Westmoreland
Wicker
Wilson (SC)

NOT VOTING—15

Bono
Carson
Cubin
Doyle
Everett
Jindal
Kucinich
LaHood
Lynch
Mack
Oberstar
Paul
Stark
Van Hollen
Weller

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 2141

Mr. RADANOVICH changed his vote from ''yea'' to ''nay.''

So (two-thirds not being in the affirmative) the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The veto message and the bill will be referred to the Committee on Appropriations.

The Clerk will notify the Senate of the action of the House.

APPOINTMENT OF HON. STENY H. HOYER AND HON. CHRIS VAN HOLLEN TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH DECEMBER 4, 2007

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 15, 2007.

I hereby appoint the Honorable STENY H. HOYER and the Honorable CHRIS VAN HOLLEN to act as Speaker pro tempore to sign enrolled bills and joint resolutions through December 4, 2007.

NANCY PELOSI,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, DECEMBER 5, 2007

Mr. HODES. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, December 5, 2007.

The SPEAKER pro tempore (Mr. PERLMUTTER). Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

□ 2145

COMMENDING DEAN AGUILLEN

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

Mr. HODES. Mr. Speaker, I rise today to commend Dean Aguillen, an important member of this body's staff, on the occasion of his transition. He's moving on from his job here.

Dean is the Director of Member Services for Speaker NANCY PELOSI, and there are a number of new Members here tonight, and as we all remember, Dean was one of the first, if not the first, members of the staff of the

Speaker whom we had the pleasure to deal with.

We arrived here for our orientation, quite disoriented and needing a lot of orientation; and we found Dean to be a calm, knowledgeable mentor. He was a guide, he was kind, he was compassionate, and he was smart.

As I began to help organize the Democratic new Members into what would become the class of 2006, it was Dean who was the go-to guy for that effort. He is a consummate professional of integrity, dedication, kindness, and wisdom. And we wish him well in his new life. We will miss him.

Dean, thank you very much.

Mr. Speaker, I now yield to the gentleman from Vermont (Mr. WELCH).

Mr. WELCH. This may well, Mr. Speaker, turn into a bit of a pile-on. There were a lot of new Members in the class, and Dean Aguillen was the person that greeted us. And if there was one person that we met who seemed to have worked harder than the Speaker, it was Dean.

And I remember every single one of us, as new Members, being anxious about what our place was going to be, how to find our way. We were very anxious about committee assignments, about how you become an effective and contributing Member of the House. And, Dean, you were terrific in just giving us calm advice, getting us together to work together, giving us some reassurance that we needed as new Members of Congress, that, in fact, it wasn't an accident that we were elected, and helped all of us find our way. And you've been the same way all of the time that we have been here.

In politics so much of the interactions that we have are transactional, and all of us all of the time are trying to make them a bit more than that. And, Dean, you really helped provide the glue that made this class such a memorable experience for all of us who are Members of it.

I thank you for the wonderful contribution you made to me and to all of us in our entry into the United States Congress.

IN APPRECIATION TO DEAN AGUILLEN

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

Mr. WALZ of Minnesota. Mr. Speaker, I too am here to give a heartfelt thank you to Dean. You're going to hear several colleagues talk about him.

When I came to this institution, I came directly from the public school classroom. And the learning curve was very steep. And every step of that way, Dean was right there to help us. He is someone who understood this institution. He is someone who was willing to give his knowledge. And he was here, Mr. Speaker, for one purpose in mind: to make this country a better place. And for that I am eternally grateful. Dean has not only been a great mentor and a great resource for me here; he's turn into a great friend. And we have talked a little bit of everything from policy to procedures, but also a lot of football too.

And, Dean, I thank you for all you do. You exemplify what makes this Nation great. People are willing to give up careers in private service to serve their Nation in public service, and you have done that incredibly well. I commend you for that and thank you as a friend.

CONGRATULATING DEAN AGUILLEN

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

Mr. SARBANES. Mr. Speaker, I want to join with all the others who have spoken tonight about Dean Aguillen and his service to this Chamber.

Ten years is a long time. It's no surprise that Dean rose through the ranks and was counted on by so many. I got to know him, as you've heard, in those early days. We were elected last November. We came in here, and it was like drinking out of a firehose, trying to absorb everything.

And everywhere we turned, Dean, you were there as a calming influence and continued in that role over time in the Chamber, in the hallways, on the phone, always a resource when we needed it.

So I wish you the very best. I know you go on to great things, whatever you choose to pursue. I know you will be taking with you a tremendous amount of knowledge and expertise and skills away from this Chamber. But I also know that you've shared it with so many that the benefits of what you brought to this Chamber will continue for years and years to come. So congratulations on your service.

IN GRATEFUL APPRECIATION TO DEAN AGUILLEN

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

Mr. GONZALEZ. Mr. Speaker, I have known Dean for a number of years, and we share a passion for the Spurs and he's homegrown, San Antonio.

And Dean will tell you the story that his interest in politics was a result of watching my father, the late Henry B. Gonzalez, on Sundays when Dean was just a little boy. Now, I remember watching Dad. I was a lot older. But the thing was they didn't exactly give my father prime time. It was very early on Sunday mornings. And the reason that many of the children in San Antonio watched my father was that he came on right before the cartoons.

So, Dean, I'm on to you. I know exactly why you were watching the television, and I'm glad that you watched Dad before the cartoons.

Dean had the hardest job of anyone on Speaker PELOSI's staff. Every Thursday at 11:30, he would report to the Congressional Hispanic Caucus weekly luncheon meeting, at which time we were able to express ourselves and say many things that we couldn't say to the Speaker. We are confident that he conveyed some of it in more diplomatic terms.

But, seriously, I think he took our message back to the Speaker. He was the conduit. The Speaker can't be in 200 places at one time, though we wish she could. So Dean was a very valuable player, obviously, in this whole organization and made, I believe, the Speaker's Office much more responsive to the needs of so many different Members of our very, very diverse caucus.

And for that, Dean, we extend our grateful appreciation. We wish you well, but we have a sense that we are going to be seeing you, of course, and I am definitely going to see you when the Spurs are in the championship round again.

FAREWELL AND GODSPEED TO DEAN AGUILLEN

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

Mr. AL GREEN of Texas. Mr. Speaker, I am so honored to stand here tonight and say farewell to a very dear friend.

Dean Aguillen has had a tremendous impact on my life. I have a legislative director that he recommended who has done a stellar job. And while I am sure he has been helpful to many and probably a little bit more helpful to some than others, I think he deserves the title of a real live angel in the House of Representatives.

And ''while some measure their lives by days and years, others by heartthrobs, passions, and tears, the surest measure under God's sun is what for others in your lifetime have you done.''

Dean, I thank you for what you have done for others in your lifetime. God bless you.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO ELESTINE NORMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. BARRETT) is recognized for 5 minutes.

Mr. BARRETT of South Carolina. Mr. Speaker, I rise today to pay tribute to Mrs. Elestine Smith Norman. Born December 12 of 1949 to the late Wilbert and Elese Morton Smith in the Promise Land Area of Greenwood, South Carolina, she is the youngest of five children.

She attended the public schools in Greenwood and is a graduate of Piedmont Tech and Limestone College. She was the first in her family to graduate from college.

She has been married to Pastor Willie Neal Norman for 37 years. Willie is the pastor of Weston Chapel AME Church in Greenwood where Elestine and he have served faithfully for over 18 years. She and Neal have never had any children of their own, but there are lots of folks that would call Elestine their spiritual mother.

She has survived a diagnosis of breast cancer twice in her life and has ministered to many, many others with cancer throughout the years. Her positive attitude through these trials has always inspired others to fight a strong fight. She has trusted faithfully in her Lord Jesus Christ to bring her through the many hardships.

Mr. Speaker, she is a former president of the Greenwood Business and Professional Women's Club. She has served on the Greenwood United Way Board, the Lander University Board of Visitors, and the Piedmont Technical College Board of Visitors. She is also the recipient of the 2007 Women's History Month Government Award from the AME Church for the State of South Carolina.

In 1972 she went to work for then-Congressman of the Third Congressional District of South Carolina, Bryan Dorn. She has continued to work as a senior caseworker in the Greenwood district offices for the following Members: Congressman Butler Derrick and Congressman, now Senator, LINDSEY GRAHAM. She has worked for both Democrat and Republican Congressmen, always putting the love of serving people above politics.

When I was elected to succeed Senator GRAHAM as the Representative from the Third Congressional District, I was honored that Elestine agreed to continue her dedicated service in my Greenwood office. Now after 34 years of public service, she has decided to retire. And all these years of compassionate service, she has never lost her heart for people. And I know she will always continue to serve throughout the community for as long as the good Lord keeps her on this Earth.

Mr. Speaker, I had these prepared remarks that I wanted to say so I didn't forget anything. But I want to share one short story about Mrs. Elestine Norman. When I was elected in 2002, I knew Elestine had worked for three other Congressmen, and I thought to myself, well, there is no way that she could have the compassion and the fire and the desire to help people. And this lady has proved me wrong time and time again. Her love, her can-do attitude, her sweet spirit, she has been a rock for me, for my staff, and for all the people of the Third Congressional District.

Mrs. Elestine, I hope you're watching tonight. We love you. I love you. We will miss you greatly. Godspeed.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

□ 2200

PROPOSED CHANGES TO MEDIA OWNERSHIP RULES IN SEATTLE, WASHINGTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. INSLEE) is recognized for 5 minutes.

Mr. INSLEE. Mr. Speaker, last Friday, the FCC held the last of six public hearings about proposed changes to media ownership rules. They did so in Seattle after I called for that meeting so that people in the State of Washington could let their government know what they thought. It was really an unbelievable showing at this hearing. The FCC callously only gave them 5 days' notice. But still it is estimated that 1,000 people showed up on a Friday night for a 9-hour hearing that ended up at 1 a.m. on Saturday morning.

Most Friday nights Americans won't be going out to hearings. But in Puget Sound country, and indeed across the country, people understand how important a media consolidation could be as a threat to our diversity and our democracy, and 1,000 people showed up to testify. I encouraged my constituents to attend. I want to credit Reclaim the Media, the Free Press and the Seattle Times who also got the word out about this important hearing.

At the hearing, FCC Commissioner Jonathan Adelstein prophetically stated that if the FCC quickly proposed a new rule, ''you know your input was dismissed.'' He was right, unfortunately. Despite the protestations of almost every single witness in Seattle on Friday displaying the overwhelming sentiment against this consolidation, on Tuesday, one business day later, Chairman Martin announced his plans to end a 32-year-old ban on radio and television broadcasters owning newspapers in the Nation's largest media markets, including right in Seattle where 1,000 people asked him not to do so.

The fact that Mr. Martin had an op-ed piece published in Tuesday's New York Times just a couple days later shows this was clearly a preordained decision and that appearance in Seattle was just a stunt, and, frankly, an insulting one to the citizens who attended. He went through the motions, but Seattle people did not.

Now, those people knew that weakening the ownership rules would allow the media landscape to be dominated by a few massive corporations, putting too much control in a few hands and producing a system where only the powerful can be heard in our democracy. It would lead to a lack of diversity of voices, programming that is out of touch with local concerns, as well as a continuation of the homogenization of our news and our entertainment.

Already, consolidation has brought us to the point where in the average radio market, two companies control 70 percent of market revenue. That is why the Senate voted to overturn the first try, the first run that Mr. Martin and then-Chairman Powell took in 2003 to loosen these rules. It is why a Federal court tossed out the ill-advised rules in the Prometheus decision, and it is why we need to stop a second attempt to do the same thing that 1,000 people in Seattle asked to be stopped.

Therefore, I am working with my colleague, Congressman MAURICE HINCHEY, to reintroduce our legislation that would derail Commissioner Martin's cross-ownership scheme that is so contrary to the wishes of the public. Mr. Martin claims that his proposal is a modest one. In fact, it would impact half of Americans who live in the top 20 media markets and could impact even more with possible waivers and exemptions. I wish 1,000 voices in Seattle and thousands more in hearings across the Nation would have knocked some sense into a particular commissioner, maybe three of them on the FCC who are heck-bent, or perhaps hell-bent, on loosening media consolidation rules.

Now that this Federal agency has disclosed its real plan to move ahead with a plan that runs so counter to public sentiment and the public interest, the time has come for Congress to weigh in. We are one voice that the

FCC can't tune out. It is time for Congress to act. Let's make sure the will of the American people is heard, not just this preordained stunt by an FCC commissioner.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oklahoma (Ms. FALLIN) is recognized for 5 minutes.

(Ms. FALLIN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

(Ms. WATERS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HONORING MRS. MARIANNE HEINEMANN RUSSO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MEEK) is recognized for 5 minutes.

Mr. MEEK of Florida. Mr. Speaker, I am honored and I want to thank Members of Congress for allowing me to make this statement. This is concerning the death of a very dear friend of mine and a great American that has served our country, Marianne Russo. On November 12, 2007, Ms. Russo died at the age of 71 in her home in Elkdale House in Lincoln University, Pennsylvania.

Ms. Russo was born on May 7, 1936, in New Canaan, Connecticut. She graduated from Little Red Schoolhouse, New Canaan Country Day School, the Baldwin School and Mount Holyoke College.

She earned a master's degree in history at Columbia University and a master's in linguistics at the University of Delaware. During the peak of the civil rights movement, Ms. Russo and her husband, the late Paul Anthony Russo, made a significant contribution to history by teaching at Lincoln University, a historically black institution.

Ms. Russo's passion for teaching and writing prompted her to organize a local writers' group and participated in the Key West Literary Seminar, which created the Marianne Russo scholarship for inspiring writers.

In addition to this achieving excellence as a teacher and a writer, Ms. Russo coordinated grass-roots efforts to elect progressive Democratic candidates to serve on local, State and Federal Government levels. In fact, she was the recipient of the Lifetime Achievement Award from the OxGrove Democratic Committee.

Today I ask Members of Congress to take time to honor Ms. Russo who is not only a patriot but a great American. Ms. Russo dedicated her life to serving others as a teacher and a published writer.

As an accomplished author, teacher, political activist, and recipient of numerous awards and honors, Ms. Russo has truly left behind an excellent legacy. Her excellence will continue to shine through her four children and four grandchildren, all of the individuals she enriched in her classrooms, organizations and literary works.

As a member of the Congressional District 17 in Miami, Florida, I have the honor to be the Congressman for her daughter, Monica Russo, President of SEIU Healthcare Florida, and also serves on the international board of SEIU.

In addition, I have the opportunity and great honor and the blessed privilege to be the godfather for her granddaughter, Giovanna, who I love and appreciate, and I know that she will continue the family legacy.

Mr. Speaker, I think it is important that we recognize Americans like Ms. Russo and her husband, Mr. Russo. They are in a better place now. And what they have left here in this country and here in the United States of America is a sense of pride, a sense of activism, and a sense of love.

I would also like to state into the RECORD that a memorial and celebration in her honor celebrating her life will be held on Saturday, November 17, 2007, at 2:00 p.m. at Penns Grove School Auditorium, 301 South Fifth Street, Oxford, Pennsylvania.

Mr. Speaker, I would like to furthermore say that many times Members come to the floor to share with the Members of Congress the great contributions of Americans that have moved on to a greater place, some on the battlefield in an area of war, some that were patriots here teaching and pushing Americans to take part in this democracy. I am very proud of Ms. Russo's accomplishments. I know that her spirit will continue to live in this country, and I know there are other Ms. Russos that are out there that are going to carry the spirit at the grassroots level.

I say to the Russo family that is gathered at the family home to celebrate her life, celebrate her life as though she is still here, because she is. And she will live within you and live within me and live within other Americans that appreciate Americans like her.

Mr. Speaker, it gives me great honor, before we go on this Thanksgiving break when we surround ourselves with family and friends, to let you know that sometimes we have to cry, sometimes we have to pray, and sometimes we even have joy. I ask during the holiday season, and especially for the Russo family, to live within the joy that you remember in your heart and your mind of her contributions to your family and to our country.

□ 2210

LETTER FROM REBECCA SHOWERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. SARBANES) is recognized for 5 minutes.

Mr. SARBANES. Mr. Speaker, I rise today in the people's House to give voice to the pain and courage of Rebecca Showers, one of my constituents. I do so, believing that we must take every opportunity in this Chamber to tell the stories of the American people.

With Rebecca's permission, I would like to read part of a letter she sent to me earlier this month. Rebecca's husband had every expectation of completing his service in the Army after two tours in Iraq. But recently he received word that he now faces a third deployment, this one for 15 months.

Speaking of her husband, Mrs. Showers writes this: ''I don't want him to miss a year and a half of our lives. Our son is 2, and he will miss the most important times in his life, the forming of sentences, learning new words, learning the alphabet, even two of his birthdays, which, by the way, he already missed him turning 2 on October 17.

''He will also miss two Christmases and two Thanksgivings. Just to let you know, in the last 6 years he has only been home twice for Christmas, and not once for Thanksgiving. I'm sure you hear this a lot from other Army spouses, but I just want my husband to be home with his family, where he belongs. I would like to know what the government is willing to do about getting our guys home sooner, or at least if they are willing to send them over for shorter tours. A year and a half is just too long, and I am not sure they understand that.

''Is there anything you can do for me and my son or know anything else that maybe I could do? Please help me, Mr. SARBANES. He shouldn't have to go for so long. It's tearing me apart.''

Mr. Speaker, I don't know whether it's possible to accelerate this young man's return, but I have contacted the Department of the Army, asking for its consideration based on these circumstances. In the meantime, my colleague, Ellen Tauscher, has introduced

legislation to require that between these extended tours, our troops would at the very least receive the same amount of time home with their family that they have spent deployed in Iraq.

I again salute Rebecca Showers's courage and her husband's service to our country.

THANKSGIVING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Missouri (Mr. AKIN) is recognized for half of the remaining time until midnight as the designee of the minority leader, approximately 50 minutes.

Mr. AKIN. Mr. Speaker, it's a treat to be able to join you and take a look at a very interesting subject, a subject that we in America will all be thinking about here before so very long, the subject of Thanksgiving. There are, of course, many different Thanksgivings that each of us have enjoyed with our families. But I am here to talk particularly about a little group of marines, they might be considered, a group of marines that undertook a great adventure to America, and that is, of course, the story of our Pilgrims.

There is some debate and some belief that there was a Thanksgiving celebration in the area of Berkley or the Jamestown area in maybe the 16th, 17th-ish vicinity. But the one that springs to most people's minds is the story of the Pilgrims. Perhaps the reason is because the Pilgrim story is such a fantastic adventure. It sparks the imaginations of not only children but adults as well. It goes back some time.

So I thought what I might share this evening is this great adventure story, but with a purpose. The purpose is to suggest that there was something far more significant. In fact, a number of things more significant than the Pilgrims brought us, even in the tradition of our turkeys and cranberry sauce, better than the tradition of Thanksgiving, and far more significant to particularly those who meet in this Chamber.

The story of the Pilgrims goes back a long way. The idea and the thing that separated the Pilgrims, to a certain degree, were the writings of a theologian from Scotland that followed Knox. As he looked into the Old Testament, he saw a pattern that had been overlooked by many in European history. He looked into the Old Testament and he noticed that there was a Moses, and that Moses seemed to run the government, but there was Aaron, who seemed to run the worship of that which you might call a church.

Through the Old Testament he noticed there was a difference between church government and civil government. Now this was, in a way, a novel idea because those two had been confused for hundreds of years in European history. So he started to write about the idea that really maybe the church should be separate from the civil government.

Now in those days in jolly Old England it was James who was King. He wasn't exactly the model of a good church leader, perhaps. So there were those who, as they read these writings, took them to heart. They were called Brownists or Separatists. They came up with the idea that they would start their own church separate from the King.

Now this idea didn't go over politically very well at all. So this group of people met together, created their own little, if you would, New Testament church. They elected their own leaders and they met in a manor house in Scrooby, England. Well, the King, in response to these things said, I am going to hurry them out of England. So he put them in stocks and he taxed them and harassed them and charged them falsely with all kinds of things and persecuted them to the point that these Separatists had to leave England, one group after the next. There weren't that many, maybe several thousand in England at the time.

They went, as many of you know to Lieden, over in the Netherlands and Holland. There they worked a very, very hard existence and had their difficulties there trying to learn a new language and trying to find a way to make a living.

One of the things they found after they had been there some period of time was that their children started picking up some bad habits, in their opinion, of the Dutch children. So they determined that they needed to do something different. It was then that they looked around for the idea of perhaps finding a different place to build a new civilization based on new ideas that they had been thinking about.

So the Separatists, particularly under the leadership of their pastor, John Robinson, started to consider the idea of coming to America and planting a colony. That, of course, required a lot of money. So they looked for some people to finance this expedition. They found the merchant adventurers. The merchant adventurers helped them raise the capital to fund the Mayflower. They also hired another smaller ship called the Speedwell. The picture of the Speedwell you can see on the rotunda, as the Pilgrims were having a prayer meeting aboard the Speedwell.

So it was after a period of time these Separatists or Brownists, as they were called, got onboard.

□ 2220

They traveled from Leiden, which was their hometown, to Delfthshaven. You can see in the Capitol Rotunda Delfthshaven in the background, and the Pilgrims at prayer about to leave to come over to England, where they would rendezvous with the Mayflower and other separatists who were going to be making this expedition, along with just some plain old families, jolly old blokes off the street of England. So this expedition was taking shape.

The trouble was the Speedwell was a pretty leaky ship and the captain wasn't too enthused about going across the ocean. They put the gear into the ships, started to try to get off in the summertime and made one start. And the Speedwell started leaking after 3 days. They had to turn around and come back. They re-caulked the ship and set off again. It started leaking again. They could find no leaks in it. They finally decided to leave the Speedwell behind. The Mayflower had to put off with just the people they could fit in the Mayflower.

Now, as they took off, you can imagine what started to happen. You have got men and women and children, a little over 100 of them, cramped in very tight quarters aboard the Mayflower. And if you have been at ship at sea for a little while, you know what happened. They started turning greenish in color and started getting violently seasick.

In the meantime, they had a bosun that made kind of a sport of making fun of them, saying, ''Puke socks, we have seen this before. We will be soon wrapping you up in a sail and sending you down to feed the fish.''

So it was that they started this very long and difficult voyage in the Mayflower across the stormy North Atlantic.

Now, these people were praying people, a good many of them, and you can imagine they were hoping they would get a nice, easy voyage. But it didn't happen that way. Instead, the storms just howled around them, and they continued seasick. And it was about a 66-day voyage that they were pretty much not quite locked, but kept completely underneath the deck.

There was one of them that just couldn't stand this, the foul air down in the cabin with all of these kids crying and mothers and everybody seasick, who came up on deck, and a wave about washed him overboard. And he was in the ocean for a while, and he put his arm out, grabbed a rope and was hauled back into the ship. He was about blue, he was so cold, and he went down under the deck and didn't stick his head out again until they finally sighted land.

Well, as they were about two-thirds or so away across the Atlantic, the ship was pitched from side to side in the huge storms. There was a groan and a terrible creak as the main beam that supported the mast, the main mast of the Mayflower started to give way. It was cracking and sagging under the weight of the mast and the duress of the wind and the sails of the Mayflower.

The captain, taking a look, thought they might have to put back, but they were in very bad shape with the beam cracking this way. It was then that some of the passengers remembered the big printing press that was in the hold of the Mayflower. They wrestled it into position, jacked it up and forced the huge oak beam back into place, and the Mayflower continued on.

Finally sighting land, not in Virginia where they had intended to go, but blown north of their course by the heavy storms and sighting the windswept coast of Cape Cod. Now, they immediately tried to sail south to get down toward the Hudson River. The south side of the Hudson River in those days was known as the Virginia area. It was really what we think of as New York. And the storms did not allow the Mayflower to make that. The ships are not very good at running close hull to the wind, and the treacherous shoals and sandbars around Cape Cod were threatening.

The decision was made then to anchor in Provincetown Harbor and then to find a suitable location for their plantation north up in the area that we now know as Cape Cod and Massachusetts.

This brought on a little bit of a political crisis, and it is one of the beginning and most amazing stories of the Pilgrims, because when they were there in Provincetown Harbor, the people that were not so much known as Christians, the jolly old blokes off the street of England, they were known as strangers. There were saints and strangers. The saints were known as the Christians. The strangers were just the people off the streets of England.

The strangers said, hey, when we get to shore, no rules, mate, like down under, and we will do whatever we want.

Sensing a certain amount of anarchy, the saints decided on a course of action. They took out a piece of paper and they wrote the Mayflower Compact. It starts out, ''In ye name of God, Amen. We do covenant and combine ourselves together unto a civil body politic for the glory of God, for the advancement of the Christian faith,'' and it goes on to say ''to frame such just and equal laws as would be meek and necessary for our little plantation.''

In other words, what had happened, the very first time in all of human history, a group of free people under God created a civil government covenantly and elected their own leadership to that little civil government. This was the first written constitution in all of history that we know of, and it was the very beginning of all of American civil government.

If you think about that formula, under God, a group of free people creating their own civil government to protect their basic rights to make basic laws, this was essentially the Declaration of Independence 170 years earlier. And it was in extreme contrast to what was going on in Europe, because in Europe, the basic model of all of government was the divine right of kings. When the king says ''jump,'' everybody is supposed to say ''how high?'' But here in America, there was a new model, completely new technology, the idea of a written Constitution, that under God a group of free people could create a civil government to be their servant.

And so it was that the Pilgrims at this very time in Provincetown had taken their idea of a New Testament church, a group of free people under God, covenanting together to create a church, and they picked up the idea, even though they knew very well that there was a difference between church government and civil government, but they used the same pattern, and they picked it up and carried it across and applied it in the Mayflower Compact. So you have in the first time in history the beginning of a whole new view of how a country should be built.

Now, this was very much in keeping with the sermon that Pastor Robinson had given to the Pilgrims as they left. He had been a wonderful pastor to these people in Leiden and steered them from a lot of dangers. But as he said good-bye to them, knowing probably that he would never see them again, he said, Now, be very careful when you go to America to plant this Christian civilization, be very careful what you adopt as true, sayeth he, for it is unlikely that a Christian civilization should spring so rapidly out of such anti-Christian darkness.

What he was saying was that the patterns of the way things had been done in Europe were maybe not consistent with the Bible, and that they should be very careful how they built this new civilization. And this first step, this creation of a covenant, the Mayflower Compact, is essentially the beginning of all of our civil government in America.

Well, of course, they couldn't stay in Provincetown forever. They took a prefabricated boat called a shallop that it was put together in the hold of the Mayflower in pieces. They took it out and assembled it on the shore. It had been damaged by the storms, and they continued to explore around the inside of Cape Cod. As they did, they had an encounter with the Indians who attacked them. Fortunately, nobody was hurt on either side.

The Pilgrims continued on around, almost freezing and getting caught in the surf, and, miraculously, almost at the time when there was no more sunlight, the wind was blowing hard and the ice was freezing on their clothes, they came into the shelter of an island, which they didn't really know quite where they were, and they had sailed around the inside of Cape Cod over to Plymouth Harbor.

In the morning they discovered that they were on an island that was safe, there were no other Indians there, and they made a whole series of discoveries that they were in a harbor that was more than twice deep enough for the Mayflower. They found there was land that had been cleared and nobody appeared to claim it, fresh water coming down the hillsides of what we now know as Plymouth, even a pretty good size rock, I suppose, that they could land on.

So, taking the shallop back to the Mayflower, the Mayflower came across from Provincetown over to Plymouth, anchored in the harbor, and they started there late in December on putting together their little civilization. In fact, it was Christmas Day that they started in on some of the buildings in Plymouth Plantation.

□ 2230

Well, things became very difficult for the Pilgrims at that time. They started to die. They died from what they called the general sickness. It was probably caused by scurvy and colds and pneumonia and various things that weakened them. In December, eight of the 100 or so Pilgrims died. And then it got worse in January and February. By the time they got to March, almost half of the crew and half of the Pilgrims had died.

Now, that I suppose would be kind of a discouraging thing for people who felt that they had come over here with this noble expedition in mind, the idea of building a new civilization on new principles.

At that time the captain of the Mayflower, who had been standing with them, the Mayflower had been anchored in Plymouth harbor, said: it is about time for us to go back to England. It has been a great try, but half of my crew is dead and half of you are dead. You need to get on the Mayflower and come back to England with me.

You can picture yourself now on the shore of Plymouth and the boatswain is giving the calls. The anchor cable is winched up from the bottom of the harbor, covered with seaweed. The boatswain gives the commands and the yardarms are swung to the wind. At first large and then small, the Mayflower disappears over the horizon. The wind is blowing through the pine trees behind and 50 people, a little over 50 people, the Pilgrims, left standing on the shore amid some primitive huts they had been able to build.

You may ask: What was the dream? Why would these people dare take such a tremendous risk?

And the answer was found by the sermon Robinson preached about the idea of building a new civilization on new ideas. So it was then not so many days later that they were greeted by a cry from the lookout: Indian coming.

You mean Indians?

No, Indian coming.

Here walking down the main street of their little village was an Indian with nothing but a loincloth. It was very cold weather, and he said in very broken English, Do you have any beer?

What an interesting thing to ask for. It turned out it was Samoset. He was an Indian chief from up in Maine. He had a little bit of wanderlust and he was down visiting Massasoit. He heard about the settlers that were trying to make a go of things at Plymouth, and he came over to see how they were doing. After they fed him a good meal, they told him about the Indians they had seen in the distance, but none had bothered them at their site in Plymouth.

What they found out was that the Indians that had lived in the land there at Plymouth were the Patuxets, quite a war-like tribe, but the war-like tribe had been destroyed by a plague a few years before. Almost all of the Patuxets was dead. There was one at least alive. He had been taken by a sea captain and was going to be sold into slavery in Spain, and he was rescued by some monks and managed to get to England and later got across the ocean back ultimately to find his village and home gone because of the damages of the plague that had come before.

So it was that Samoset introduced them to another Indian by the name of Tisquantam, one of the last of the Patuxets. Tisquantam, or Squanto, as we know it, had not really had a whole lot to live for. But when he came to see these hard-pressed Pilgrims, he felt sorry for them so he taught them how to plant corn and how to find those eels by going barefoot in the mud by the side of the streams. And he helped them to survive through the first year. And following that and their being able to plant some corn, they celebrated in the fall their first Thanksgiving.

The idea was that the settlers, the Pilgrims, invited Massasoit, who turned out to be a very fine Indian chief, and contrary to some people's understanding of history, was very loyal and followed all of the treaties they set up and was a good chieftain, as was his son.

Massasoit was invited to celebrate the first Thanksgiving that the Pilgrims had, and he decided to bring some of his other Indian friends along, quite a few Indian friends, so you had even more Indians than there were Pilgrims at the first Thanksgiving. They had a good meal. The Indians weren't in any mood to leave, and so Thanksgiving continued for 3 days. There was wrestling and foot racing and sort of military drills, and all kinds and manner of things. The Indians did the hunting for turkey and deer and the Pilgrims were cooking and baking fruit pies, perhaps, and things like that. So they celebrated Thanksgiving, not just for a day but for 3 days, and it was an event that was a great celebration and was a great success.

So we have the tradition that particularly the Pilgrims and other groups passed on to us. Thanksgiving became a popular day in the colonies. All sorts of towns celebrated it on different days and times of year.

To my knowledge, the first national Thanksgiving was declared in 1777 by the Continental Congress many, many years later. That was to celebrate the victory at Saratoga. That also is depicted in our rotunda in the beautiful, large Trumbull-painted rendition of the surrender of the British at Saratoga. So that was a national day of Thanksgiving that was recommended by the Continental Congress.

The words of these Thanksgivings, for instance the actual declaration of Thanksgiving by the Continental Congress, were explicitly Christian. It starts out: ''Forasmuch as it is the indispensable duty of all men to adore the superintending Providence of Almighty God; to acknowledge with gratitude their obligation to Him for benefits received and to implore such further blessing as they stand in need of; and it having pleased Him in his abundant mercy not only to continue to us the innumerable bounties of His common Providence to smile upon us as in the prosecution of a just and necessary war for the defense and establishment of our unalienable rights and liberties.''

And it goes on to talk about Christ and the Holy Ghost. This is a product of the Continental Congress in 1777 after winning the Battle of Saratoga. There were other Thanksgivings, and then eventually George Washington declared a national day of Thanksgiving in 1789. He says: ''Whereas it is the duty of all nations to acknowledge the providence of Almighty God, to obey His will, to be grateful for his benefits, and humbly to implore his protections and favor.'' That is Washington as he declared a day of Thanksgiving in celebration of the adoption of the U.S. Constitution.

So that is the tradition of Thanksgiving. The Pilgrims passed Thanksgiving along to us, and of course this first Thanksgiving was a pretty good one. It lasted 3 days with the Indians.

If we look back and think about this little group of heroes that came to America, what we find was it was an awful lot more than Thanksgiving they gave us. They gave us a whole view of civil government, the idea that government is created by a group of free people and that there is no sovereign.

In fact, in the War of Independence, the battle cry was ''No King But King Jesus.'' It was the idea of a group of people created under God to defend a set of rights. And as we later worded it, life, liberty and the pursuit of happiness.

So they give us this idea of a written Constitution in 1620. They also understood that we celebrate civil government from church government. That may seem ho-hum to most Americans, but we have to realize that the Europeans still use tax money to pay for their churches. And, of course, the Islamists tend to mix civil and church government completely together. So this technology that the Pilgrims brought us was extremely significant, far more significant probably than the celebration of Thanksgiving.

So we have the whole constitutional form of government, the separation of civil and church governments, and then later in the fall, the Pilgrims took another step. The loan sharks in England who had arranged the journey over on the Mayflower had insisted that everyone work in a common store. That was socialism, that is, everybody owned everything. Well, that didn't work.

Governor Bradford took a good look at that. It was not working. The people were going to starve to death, and so they basically canned socialism and he wrote in his history of ''Plymouth Plantation'' as though men were wiser than God and the ancient conceit of Plato and others who thought that they were smarter than God and he said this thing has been tried among Godly and sober people, and it just doesn't work. And so they pitched socialism out and were able to do a lot better in the colonies.

□ 2240

Even so, it would be another 7 years before Governor Bradford would write that they could relax and taste the goodness of the land. It was a very hard time for the Pilgrims in this time period.

But I think it is important for us to remember as we join together with our families and we enjoy the wonderful tradition of Thanksgiving, to remember the other blessings that this little group, this adventuresome little group of men and women and children that came to this land. Of course, Jamestown was settled by men; they called them adventurers. But they were not women and children so much. These were people that put their families onboard ship and risked it all to make a beachhead in a new land. And they came with new ideas, ideas that have been a great blessing to us. I think it is important for us to remember how it was that God heard their prayers and used them. And Governor Bradford would write a little wistfully saying that he hoped that as a candle can kindle other candles, yet that they might be a bit of a light to a whole new country that would be born. Little did he know what would happen as a result of the blessings that they brought us across the ocean, this first little group of waterlogged marines as they landed in Provincetown and then Plymouth Harbor.

And so the story of Thanksgiving is mixed tightly and connected tightly together with our heritage as a Nation, and I think it is important for us to remind our children and our families the high price that was paid even at an early date.

Another thing that many people don't understand or don't know is that when the first Constitution in the Mayflower Compact was 1620, it was only 18 years later in the Fundamental Orders of Connecticut that you had the entire U.S. Constitution, the whole technology for our U.S. Constitution pretty much in place in Connecticut in 1638. The license plates in Connecticut say ''The Constitution State,'' and with good reason, because the Fundamental Orders of Connecticut had federalism and most of the developments in terms of civil government that we now have in the U.S. Constitution.

People sometimes say, well, this was the product of enlightenment thinking. This was way, way before the enlightenment. This was the result of a group of people who came here, first of all,

the Pilgrims, who took their principle of a new testament church and simply applied it to government; and, following that, by a pastor by the name of Hooker, who was Cambridge educated, came from England, first landed in Boston, was a friend of Winthrops, and then went to found Connecticut. And as a result of his sermons, this Fundamental Orders of Connecticut is drafted.

I think the only thing that is missing possibly is the bicameral nature of the legislature, and some of us in this body are not sure that the Senate was a good invention anyway. But be that as it may, you had this Constitution, which is pretty much the U.S. Constitution, as early as 1638.

And so as we celebrate Thanksgiving once more, I think we can remember the idea of separating civil government from church government, the idea of a written Constitution, the idea of pitching socialism out, and the tremendous courage and dream that they had for a new Nation, which we have inherited and have been blessed with. So it is a beautiful time to celebrate Thanksgiving.

Thank you for sticking with me as we think a little bit about this little group of courageous people that settled these shores.

GREEN THE CAPITOL INITIATIVE

The SPEAKER pro tempore (Mr. PERLMUTTER). Under the Speaker's announced policy of January 18, 2007, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 60 minutes as the designee of the majority leader.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the opportunity. As we are concluding our activities wrapping up on the floor, preparing for the Thanksgiving recess, as people go back to work in their districts, and hopefully spend a little time with their families, it is appropriate for us to reflect on the important work that has been done here in Congress under the leadership of Speaker PELOSI, Majority Leader HOYER, working with our House Chief Administrative Officer Dan Beard, to develop a Green the Capitol initiative.

We have made it clear under the new Democratic leadership in the House that it is not appropriate to ask the American people to address the challenges of global warming and climate change without first carefully examining the ways that we reduce our own work energy consumption and sustainable practices here in the workspace.

Mr. Speaker, I have spent most of my career working with environmental issues at the State, the local, and now the Federal level, working in partnership with people in the private sector to be able to make our communities more liveable, to make families safer, healthier, and more economically secure by virtue of our environmental initiatives, how we put the pieces together.

Over the years, I have had lots of ideas myself. I have heard them from others. We have looked at policies and practices, rules and regulations. I will tell you that the one thing, if I were empowered for a day to be able to set the rules and regulations, it wouldn't be any new regulation, any new tax, any new environmental law. It would simply be to make sure that the Federal Government practiced what we ask the rest of America to do in terms of our behavior regarding the environment.

The Federal Government is the largest manager of infrastructure in the world. It is the largest consumer of energy. We have facilities from coast to coast. We are the largest employer in the United States. And the extent to which we are able to put in practice the best practices, it will have a transformational effect, not only in terms of the Federal operations themselves, but in terms of what difference it will make as we are setting trends and move forward.

I am extraordinarily impressed with what has happened already. I can't say enough about this initiative. The goals that were adopted were to operate the House in a carbon neutral manner by the end of the 110th Congress; to reduce the carbon footprint of the House by cutting energy consumption 50 percent in 10 years; and, to make House operations a model of sustainability.

There are a number of steps that the Chief Administrative Officer has already done to implement these goals. They purchased renewable energy power for electricity, funding that was approved in the Legislative Branch appropriations bill. We have switched the Capitol power plant, which provides heating and cooling to the House, to natural gas. It will improve the air quality on Capitol Hill for the residents. This was also already approved. I personally have been appalled at looking at the belching gas coal-fired plant that powers many of the energy needs for Capitol Hill. That is being changed.

To improve energy efficiency, the House will use metering, commissioning, and tracking to improve operations, install energy-efficient lighting, adopt new technologies and operation practices, other office equipment, update heating and ventilation. We are looking for sustainability in all House operations. Purchased carbon offsets from the Chicago Climate Exchange. These are initiatives, Mr. Speaker, that are extraordinarily exciting as they are spreading out across Capitol Hill.

Before turning to some of my colleagues this evening, I however must note that our friends in the minority office have decided to somehow try and politicize this effort issuing a broadside, and I am willing to talk about this further if we have time with my colleagues, but issuing a broadside against this initiative, claiming that it is somehow, the term the House Minority Leader BOEHNER used, green pork. It is sort of disappointing, I guess, to see that the minority leader doesn't see the value in leading by example and reducing the House energy costs and modeling the behavior we expect from citizens. I am disappointed he would prefer to have the Capitol continue to waste energy, limit transportation options for House employees, and continue to force Capitol Hill residents to experience the pollution of the Capitol Power Plant.

The green pork update has taken issue with a number of initiatives that the CAO has undertaken, taking to task the notion of working with the Chicago Climate Exchange.

I wish that the House could offset all our emissions on premise, but it is not possible at this point. But the Chicago Climate Exchange is a credible mechanism, the world's first and North America's only voluntary, legally binding greenhouse gas emissions reduction registry and training program.

The minority leader attacks initiative here on Capitol Hill for car-sharing. It is kind of ironic, we actually have higher per capita use of auto commuting on Capitol Hill with our 7,000 employees than in Washington, D.C. as a whole. One of the initiatives to help solve the problem of forcing people to drive their cars is to use car-sharing, something my colleague from the Seattle area can speak to.

□ 2250

We've had Flex Car and Zip Cars. The average car is only used 2 hours, less than 2 hours a day. Car-sharing is something that's moving across the country. It's been pioneered in a number of European cities.

The minority leader dismisses this as a ''hybrid loaner car for staffers wishing to run errands or catch a movie during work hours.''

I find that offensive in the extreme. The 7,000 men and women who work for us on Capitol Hill are amazing.

Now I don't know what happens in the minority leader's office, maybe he has employees that go off in the middle of the day to catch movies. I don't know of anybody, Republican or Democrat, who experiences that. And it's a slander against the outstanding primarily young men and women who work with us. It's illegal in the first instance to do this. But I think it really is demeaning for the people that we work with.

Car-sharing, if that's what they're trying to get at, is a very successful business around the country. It's recently on the GSA schedule. I'm pleased to have a small part in encouraging that to happen here on Capitol Hill. We now have over 100 employees that have signed up for it. There are cars that are parked here that people can use before or after hours for business or after hours on their own time and avoid having to drive a vehicle.

I will return to this in a moment. I am obviously quite disappointed in the

minority leader slandering our employees and demeaning this effort, even picking out, claiming that he's concerned about the notion of using Segways. The Segway personal transporter is not in the initiative. It's nothing that we have done in bringing forward this program. They were part of a green products fair that was conducted here 2 weeks ago on Capitol Hill, fabulously successful. But it's an example of the fuzzy thinking and sloppy research that I think typifies the Republican approach to trying to green the Capitol and their dismissive nature of it now.

I would, however, if I could, recognize my colleague from the State of Washington, JAY INSLEE, a gentleman who is deeply involved with the environmental issue, who's just published a book, I think it's entitled ''Apollo's Fire,'' where he has spent, with a coauthor, over a year researching these issues, has tremendous insights and is using the work that he has done to help implement a sense of vision here on the House floor. It informs his work on the Commerce Committee, and I am privileged to serve with him on the Speaker's Special Committee on Global Warming and Energy Independence where he has made invaluable contributions, and would recognize him at this point.

Mr. INSLEE. Thanks, Mr. BLUMENAUER, for leading this discussion. You know, when people come through the Capitol here, you can see them beaming with pride of the Capitol, and it's because we lead the world in democracy and people feel good about this building. Now, they're going to have another reason to feel good about the U.S. Capitol and the House of Representatives, because we intend to be the greenest parliamentary Chamber in the world. And, in fact, we probably will become the first zero carbon, become a carbon-neutral legislative body, the first in the world. And that's something that America can take pride in. And we're accomplishing that because we want to, on a bipartisan basis, do these commonsense things to try to reduce our CO_2 emissions.

And we're doing that. Switching from coal, first, to natural gas in our power plant, which reduces carbon dioxide something like 20 to 30 percent. We're then taking a look at the possibility of going to a totally renewable fuel of wood pellets grown in New Hampshire and some other places which would go to essentially zero CO_2 on a net basis.

Under the leadership of NANCY PELOSI and Dan Beard, we're having a green cafeteria. A new contract's been let so our cafeteria reduces by 50 percent the matter of waste. And when you reduce waste, you quit using energy.

Mr. BLUMENAUER. Would the gentleman just yield on this point?

Mr. INSLEE. Yes.

Mr. BLUMENAUER. Just in referencing the work that's already under way, now we are implementing in our cafeteria products that will add less than a nickel to the overall price of a meal that are fully biodegradable, items here that will turn to dirt within 90 days, unlike the typical foam clam shell and plastic cup that will be here thousands of years. These are being implemented on Capitol Hill, something that will be responding to the desires of the outstanding young men and women who work here who've been agitating about this. Having biodegradable products that are completely compostable will reduce the problems of land fill and pollution for centuries to come.

Mr. INSLEE. And the importance of this waste disposal from a global warming position is that every time you reduce the amount of waste you throw away by a ton, you reduce the amount of carbon dioxide going into the atmosphere by two tons by not wasting all that production and energy associated with it.

So what we're doing in this House is doing what a picture I have here of Mike and Meg Town of their home in Redmond, Washington, one the rainiest places in the United States, who built a home that's essentially carbon neutral. By doing the same kinds of things they're doing in their house, we're now going to do in the people's House, which is to use some commonsense waste disposal systems, decent insulation, energy-efficient lighting, energy-efficient heating and cooling system. They use solar photovoltaics to get to a carbon neutral house.

People are doing this across the country. I'm proud to say we're starting to do it in this House. And I know I'd like to yield to Mr. FARR who can help us on that.

Mr. FARR. First of all, thank you for doing this Special Order. It's very important for the American public to know that their Capitol, this is a public building, the people of this country own it. But we, as caretakers of it, are changing it into a model place to work and to have as a seat of government.

And just a few things that Mr. BLUMENAUER talked about, we're eliminating plastics and Styrofoam from the food service has totally been eliminated. As he showed, they're using compostable food service items. We're running a commercial composting operation, reducing waste by 50 percent. We've installed 30,000 compact fluorescent lights and use one-quarter of the energy that will last 10 times longer than the regular light bulbs.

We've changed the settings on heating and ceiling fans to reduce the runtimes by 14 percent. We've replaced 84 vending machines with energy efficient equivalents. People don't think about these vending machines. They're all plugged in and they have lights and everything on them.

Analyzing the electrical energy usage throughout the 6 million square feet of the House buildings, the offices that we occupy, we're doing that audit now to find savings. We've activated economizers on building air conditioners, which cut the annual cooling cost by 20 percent. And we've initiated a study to relight the Capitol dome. Those lights are on all night, and I think we're all proud of it, but that study will reduce the energy requirements and do very efficient lighting.

And as you said, what you see here is that I think this is a real response to what the voters asked for last November, which was a change in direction in America in their House of Representatives and their Senate. They elected new majorities. The new majorities elected new Speakers. And the new Speaker has led us in a new direction.

□ 2300

And in just a short period of time, a number of months, we've done some dramatic changes in this building, and it's just historic. And I would like to compliment both of my colleagues, we're all west coasters, Washington, Oregon and California. And I think what we're reflecting here in the Capitol is what we bring from your own States, that have been very conscious about the sound economics of energy efficiency.

And the last thing I would just like to say is that this blast that the Republican leadership put out about the greening of the Capitol is so un-business, it's so dumb, it's sort of that dinosaur politics that just says, you know, don't change. If you look at the businesses in America, the new investment is in all the stuff that we're doing. And this is the direction this country is going. It's the direction the planet is going. It makes good economic sense and it makes great environmental sense. And we ought to be applauding ourselves for stepping up to the plate and not criticizing those who have taken the lead.

Mr. BLUMENAUER. I appreciate, Congressman FARR, both your being here and the work that you have done for years, dating back to your tenure as a local official and as a legislator in the State of California, continuing a fine family tradition of sensitivity to the environment.

The point you just made about the difference between having an energy policy that our friends on the other side of the aisle that would be perfect for the 1950s, maybe, but not where business is going, not where local government is going, not where any of our three State governments are going, is unfortunate. And people are turning to change these practices not just because they are fuzzy-headed tree huggers, but because it makes good, solid business sense.

The initiatives that have been undertaken in the House to this point are anticipated to reduce our energy bill by more than $5 million a year at the end of the 10-year period. We invest a little money at the outset, like businesses are doing across the country,

like some families are doing, with energy-efficient appliances or more energy-efficient vehicles, but it pays for itself.

I was particularly put off when they were taking to task the environmentally sensitive adhesives and materials that we're putting on Capitol Hill. One of the problems right now in our households is that people use building products, use materials that are not environmentally sensitive, that actually put people at risk, put people at risk in terms of the health of their family, that we have in business. When they use environmentally sensitive adhesives, for instance, it not only enables a little shoe company in my State, Nike, to meet U.S. EPA air quality standards in Thailand by using these water-based solvents, it's a better product, it's a safer product, and it's safer for the producer and for the user.

It seems to me that this is the type of thinking that I commend Chief Administrative Officer Beard for bringing into play here in the House.

I would turn to my colleague to maybe elaborate based on his experience.

Mr. INSLEE. Well, the point I would like to make is to point out why these things are happening. They're happening because of leadership. We have leadership from the top with Speaker NANCY PELOSI who, when she assumed office I think in the first week or two, said we're going to have a green House of Representatives, and we're going to save money in the process. And she had a good leader, Dan Beard, take charge of this.

And the reason I point this out is that you look at, in corporate America we see similar leadership. The President of Dow Chemical, who 10 years ago basically said we're going to save money, they have now reduced their energy usage by at least 30 percent, and they intend to reduce it another 20 percent. And when I asked him, Why did you do this? He said, Really simple, it saves money.

British Petroleum, a petroleum and oil company under the leadership of former Chairman Sir Henry Brown, had reduced their usage of energy and saved $300 million and actually met what would have been their CO_2 emissions target. It happens because of leadership.

And I want to comment on one thing the House is doing as well. We are committing to buying green electricity. That means electricity that is generated by non-CO_2-emitting sources. And I just want to make a point. This is not something that is just a pipe dream; it is really happening.

I want to show two types of technology that are working today. One, I want to show a solar thermal technology. This is a solar thermal technology manufactured by the Ausra Energy Company. The Ausra Energy Company just signed contracts with the Florida Public Power and Light Company and the California Public Utility for over 400 megawatts. That's enough to do over 400,000 homes of pure CO_2 solar energy. And the way this works is, they've discovered a way to manufacture mirrors that are flat, that are very inexpensive, that focus the radian energy of the sun on a pipe that has water or a liquid metal in it, very long sheaths here. This is several acres of mirrors. This hot water then makes steam, the steam makes CO_2-emitting energy. And they intend to make this for prices competitive with coal within the decade.

Now, I point this out for our Members in the Chamber who think we can't do solar power in Florida. It's happening in Florida now, and in California. And if people think that this is some type of thing that just the hemp-wearing folks of America believe in, people are going to make money on this, because for every two acres of these mirrors, you can power 1,000 homes. This is not just to run your little fan, it's to run all of your electricity in your house. And that's what we intend to do in this House, because this House, under the leadership of NANCY PELOSI, understands the future of technology to allow this.

I want to point out just one other technology that has the capability of helping in this regard, and I will show just a quick story.

This is a picture of the Imperium biodiesel company. It's called Imperium Energy. It's in Grays Harbor, WA. You see these tanks here; this is where biodiesel, which is essentially a zero CO_2-emitting biodiesel plant, that's in a former failing lumber town that has now reinvigorated the economy of Grays Harbor, WA. It happened because a guy named John Plaza had the guts and the vision to go out and buy some old vats from the Rainier Brewery in Seattle, WA, I used to be a fan of Rainier Brewery, for various reasons, and built himself, in his garage, in a little warehouse, a biodiesel plant, then went out and raised some venture capital and has now built the largest biodiesel plant in the world in Grays Harbor, Washington. And he is now going to be providing biodiesel, going to probably have 10 to 30 plants like this around the country.

Now, our proposal in the House to go to a green economy is based on the genius of guys like John Plaza, who know how to blend technology with venture capital and go out and make a buck and help us provide green technology. And this is what we're doing in the House, and I'm excited about it. And I think there is a reason to be proud of it.

I wonder if I could yield to Mr. GEORGE MILLER, who has been instrumental in this program.

Mr. GEORGE MILLER of California. I want to thank you very much for taking this time to discuss what is almost now a year of the effort by Speaker PELOSI to provide for the greening of the Capitol and the surrounding areas here on Capitol Hill in Washington, D.C.

And her choice of Dan Beard as the Chief Administrative Officer to lead this effort is a wise choice. Dan Beard worked for the Resources Committee when I was Chair of that committee, and really led a transformation in western water usage throughout the western United States. When he was at the Committee, and later at the Bureau of Reclamation, he transformed those programs from huge, wasteful water projects into projects of conservation, ending subsidies that the taxpayers were paying in many cases, or reducing the subsidies that taxpayers were paying that led, again, to water conservation, to new technologies being brought onto the farmland, to level those lands, to provide for drip irrigation, to provide for computerization of irrigation, to mingle water with fertilizers or other things that were necessary for the growing of those crops. That has saved farmers a huge amount of money. It has provided for better utilization of the resource. Water was able to be recycled into fish and wildlife protection in other parts of the State and all through the Southwest, in Montana, in Utah and in California. So, he has a long experience for this.

When he left the Congress and the administration, he went on to work in dealing with public-private partnerships to bring about environmental solutions to very difficult problems and was able to engage the public sector, the private sector, the nonprofit sector to build teams, to build organizations to solve some very thorny problems around this country.

That's the expertise he brought to the greening of the Capitol. And as we've seen in this first year, many things that were just taken for granted here that were so wasteful of our environment, were so wasteful of energy, so wasteful of taxpayer dollars, that now has changed, or started to change. And it's a work in progress, but I think as Members see it, one, they're proud that they're part of this effort. We go back and we have town hall meetings with our constituents and we talk to them about the urgency and the necessity to do this. And sometimes maybe we don't lead as well as we should, but here we are leading in this wonderful, wonderful United States Capitol.

□ 2310

The other one is that this Capitol is part of a neighborhood, and to the extent in which we can reduce our reliance on coal-fired plants in this neighborhood, we improve the air quality from the people who live downwind from the plants that supply the power for the Capitol. The extent to which the Chief Administrative Officer that been able to role that into green energy is very, very important, to reduce the carbon footprint, which so many businesses now see as just not nice talk; it's really about hard decisions,

the yield, immense savings over relatively short periods of time, in many cases for those corporations, allow them to increase their investment in their businesses, their employees, or their own profits. And that's the kind of change that we need. It's the kind of change that we should be leading on. And under this effort to green the Capitol by the Speaker and the leadership with the Chief Administrative Officer, Dan Beard, we all see the benefits of it.

And, again, as Mr. BLUMENAUER was pointing out, these choices weren't difficult. They weren't costly. They weren't complex. But they weren't being made. And once they are made, people go on with their lives, and all of a sudden they are participating in reducing the tax that our activity puts on the environment, on the climate, on the resources of this Nation.

So I really want to thank you. I want to join and associate myself with your remarks that you've all made. All of you have been involved in this effort on a national basis with your leadership and the protection of the oceans and new forms and methods of transportation and for communities. And, Jay, certainly your efforts on alternative energy has led the way in this Congress. Hopefully, over the next couple of weeks, we will be able to go to even a broader initiative, which is the passage of the energy bill, which will lead to alternative energy sources being developed, alternative fuels, and the savings on the cafe standards so that people who are now looking at a $3.50 gasoline, $4 gasoline will be able to have the alternative of buying a more efficient automobile, a less polluting automobile. They'll feel good about it. Their pocketbook will feel good about it, and I think their children will really like the idea too.

So thank you so much for taking this time on the floor tonight.

Mr. BLUMENAUER. Thank you, Congressman MILLER. Thank you for your decades of leadership.

And I appreciate what you said a moment ago about our responsibility as a neighbor. I have been privileged to be a Member of Congress for 12 years. And 3 of those 12 years on Earth Day, we went down and had press conferences using that coal smoke belching out of the Capitol power plant as an example of what we would like to change. And it's interesting, I remember, Congressman FARR, when I first came here, we were concerned about the whole House of Representatives, with gazillions of tons of paper. Sam, help me. I think it was something like $21.17 for a year.

Mr. FARR. We didn't recycle, and we put an effort into doing that. Where that has grown now is all of the paper that's sold to all the offices, and there are 70 million pieces of paper per year used in the U.S. Capitol, we are replacing all that virgin paper, which cut down about 30,000 grown trees, it is all now 100 percent post-consumer waste recycled paper. So just that alone. And in the store where we buy all our supplies, that store sells recycled printer cartridges. That store becomes the receptacle for all the batteries that are used, for cell phones, and for BlackBerrys. So that they will all be part of the recycling stream. So we have just changed the entire approach to how we do business just in our office supplies in this Capitol.

Mr. BLUMENAUER. I must note, Mr. Speaker, that that first year when we were trying to get the House under the Republican leadership to change their policies, the entire House of Representatives, with all this paper, with the staff, they recovered what I think was less than a Boy Scout troop would do in my neighborhood in Portland, Oregon. It was embarrassing. We've turned the corner. It is a significant change.

And I deeply appreciate, Sam, the work that you've done personally to sort of pound that drum and make it happen.

Mr. FARR. Can I just tell you our offices led this effort on recycling, and my staff really got involved with it. And I'm really surprised how much we are doing, and I am sure a lot of other offices are doing the same.

We use only recycled paper products. The paper that is printed on only one side, we go through and have our interns make sure that that becomes the fax paper so that the clean side is used again in the fax process. The white paper, mixed paper, and newspapers each have their own recycling bin. Cardboard is set aside to be recycled. As long as they have a clean side, mail campaign postcards are bundled and used as scratch paper.

Each work station in my office has three bins, one for white paper, one for mixed paper, and one for wet trash. The officer manager will spot check the bins to make sure that everyone is separating their trash correctly. And we also have a separate bin for plastics, glass, and cans. Now, that's just one office. And the point here is we can all do this. And there is money to be made by the government in these recycled products.

What you are talking about is the Department of Agriculture just down the street has about as many employees as the House of Representatives. They were making tens of thousands, I think about $80,000 a year profit on recycling in the Department of Agriculture. And as you pointed out, the United States Congress was making about $21 a year.

So that has all changed thanks to this new leadership. And I am very proud to be a part of this greening of America by starting here in the Capitol of the United States.

Mr. INSLEE. I want to just express an experience that we have had and these companies that have gone down this route have had. Two things they've learned: Number one, hardly anybody gripes about it. I mean it's amazing. We have done all these things we have been talking about here tonight, changing the coal plant, changing the cafeteria, changing paper usage, changing lighting usage, changing some of our transportation usage, and, frankly, nobody is griping about it. We have got 435 people here griping about everything from the weather to the price of bananas, but none of our Members are griping about this because we are finding out that we can accommodate our businesses and our lifestyles just fine if we do this. And businesses have learned this as well. That's the first rule of greening an organization.

The second rule is that people find out that virtue is cumulative. When people take one little step forward, they get into it, and then they take another step, and then they take another step. And companies continue. That's why Dow Chemical, even though they have been spectacularly successful in reducing their energy use by 20, 30 percent, they are going to get another 20, 30 percent because people get excited about it, and we're seeing that.

I wanted to just touch on transportation that Mr. BLUMENAUER was talking about. Mr. BOEHNER was criticizing this effort to give our employees flexibility to use cars. I want to mention two technologies that I think can help reinvent our transportation system in America.

One is we are now testing a software system in Seattle which will give you instantaneous ride-sharing so that on your text message or your BlackBerry, you can say I want to go to this theater, get my ride, and this software system will patch you through to whoever is going in that direction. In 5 minutes, boom, you've got a ride. And that system has incredible promise to reduce congestion and reduce your cost of transportation if we can all start sharing rides in that regard. And I'm very excited about this. It has just gone in the first stage of trials.

The second technology I want to mention, this is well beyond the House, but I want Members to know about this. We are having this discussion about improving average fuel economy standards. In the next 2 weeks, hopefully, we will have it on this floor for debating on. But I think the capability exists to blow way beyond anything that we have even thought about in fuel mileage. We're arguing about whether we can get 35 miles a gallon. I drive a car today that gets 45 miles a gallon. I'm six-two, 200 pounds. It's a five-passenger car. It's very convenient and it's safe.

□ 2320

We have a technology coming on in 5 or 6 years in cars that are on the road today called plug-in hybrid cars, and I learned about them when I was writing this book that Mr. BLUMENAUER talked about. It is plug-in hybrid technology. And here is a car that General Motors has. It is in reality. Here is a picture of it. It is the GM Volt. They want to have it on the road, mass production in

5 or 6 years. And the way it works is using an incredible battery technology. You plug it in at night; it has a little port. You plug it in, charge it for 6 to 8 hours. You unplug it in the morning, go about your driving. You can drive 40 miles with just electricity, no gasoline, no ethanol, just pure juice out of your plug. And it costs two-thirds less per mile than gasoline.

Now, if you want to drive more than 40 miles, then you have a hybrid engine like the one in the car I am driving, in the Ford Escape or Toyota Prius. It will take you wherever you want to go for 200, 300 miles. Someday it will burn cellulosic ethanol as well as gasoline. Right now these cars are on the road today. I've driven one on the Capitol grounds. They get 100 miles per gallon of gasoline today. When you drive it with ethanol, you will get 500 miles of gasoline. And the electricity you use will get cleaner over time. This car will get better over time as the electric grid becomes cleaner. You start using more solar power, more wind power, you actually put out less carbon. Nothing gets better in life as it gets older except wine and a plug-in electric car.

I point this out because when we have this debate on the House floor in a few weeks, some people are going to say, Gee, I don't know if we can get to 35. Baloney. Hogwash. We have scads of cars that get 10 or 15 over that today, and you have a car that is going to get 100 miles per gallon in 5 or 6 years. This is something we can do in this new spirit in the House led by NANCY PELOSI, to head down this route to the future, is one people are going to be happy with, and they have.

Mr. BLUMENAUER. I must confess, and you and I have endured some fascinating hearings on our global warming committee having these new technologies explained that are not, as you say, some far distant point in the future. They are available today for people to implement. I must, however, as the Chair of the congressional bicycle caucus, make a mention of proven technology that we have available now, where people can burn calories instead of electricity or fossil fuel.

One of the things that I really appreciate Dan Beard working with us on is to make the cycling choice more readily available to employees on Capitol Hill. As I mentioned a moment ago, we have about 14,000 car trips a day to Capitol Hill. The majority of the trips to the Capitol by our employees are made by car, higher, at a higher percentage than the rest of D.C., where fewer than half of the residents drive to work.

Mr. Beard has been working with us to be able to deal with making this Capitol more cycle friendly, working with the Washington Area Bicycling Association, the League of Bikers, to have more bike racks here on Capitol Hill, more secure facilities, lockers perhaps inside the garages. When I first came here, there are showers that are available for the staff, but people didn't want to let it on, I guess, because they wanted to be able to sort of use it on their own. But we have made some real progress. We have got maps now where the showers are available. We have added employee locker and gym facilities in Rayburn. But we have more work to do in terms of improving the choices for cyclists.

Part of it, and I would defer to any of my esteemed colleagues here who are more senior, if there is something we do with the Capitol police so they don't have different standards for cyclists than people in cars or pedestrians, allowing the bikers to have the ramps, barriers that are lower for people who are cycling. So like I am cycling to Capitol Hill to vote, I don't have to choose to go on the sidewalk and harass pedestrians. In all seriousness, cycling is the most efficient form of urban transportation ever invented. It is something that helps promote health. It does not have any impact in terms of the environment, wear and tear on the roads, congestion, and in 13 years on Capitol Hill, almost 12 years now on Capitol Hill, I have never had to look for a parking place or be stuck in traffic. And I hope there is more we can continue to do with Mr. Beard working on this program for cycling promotion.

Mr. INSLEE. I want to note as far as cycling, as a biker myself, the things we are talking about in a lot of communities that are improving their bike options, we are just giving people options. This is not the storm troopers coming down making everybody ride a bike. We are talking about giving Americans more options in how to get to work and back. This is one that in my town of Seattle, every year there are scads more people riding bikes.

Mr. BLUMENAUER. You are almost caught up to Portland.

Mr. INSLEE. Almost, to compliment Mr. BLUMENAUER's hometown, Portland, Oregon, is the first city in the United States to reduce the number of miles that people drive per capita. And that is a fundamental achievement, and I know how they have done it because they have visionary leadership, Mr. BLUMENAUER included; they have more public transportation options with light rail and buses, more bike options, better land use, planning that allows people to live close to public transportation options, and they are well on their way to meeting the CO_2 targets that they have set. And it has happened because they have simply given people options. They haven't told people what to do. They just gave people a smorgasbord, and people did what was comfortable for them. A lot of it is bicycling, if they can catch Mr. BLUMENAUER.

Mr. GEORGE MILLER of California. I want to thank you. It has been a long day. It is now 11:30, so I want to thank you for recognizing what has been done here for the greening of the Capitol under the leadership of Dan Beard and the Speaker. And I want to take my very efficient cell phone, I am going to walk, and it is going to be very efficient, pretty carbon neutral, and I am just going to walk home. And if you are still here I will watch you on C–SPAN. But it has been a great education, and I am sure this House staff would like to officially go home. I think this has been a very important review of our first year, and it is only the beginning. And as Congressman INSLEE has said, so many of the changes we are not even aware of because they really don't interfere. They don't change the way we do business or the way we eat at the cafeteria or wherever it is. It is just greener, better, smarter, and in many instances it saves us money. So thank you very much for your recognizing this first year of the greening of the Capitol.

Mr. BLUMENAUER. Thank you for joining us and for your work.

Mr. GEORGE MILLER of California. Is your bike outside?

Mr. BLUMENAUER. Do you want to borrow one?

Mr. GEORGE MILLER of California. Maybe I will take your bike.

Mr. FARR. What is interesting in talking about the cafeteria, it hasn't been mentioned what Dan Beard did is we put out a contract. As you know we have cafeterias in buildings and takeout centers. We have a lot of food service here. They redid the contract for all the food services, and a firm won this contract. It is a big one. I think it is about $20 million. They are going to provide all fair trade coffee, which is the coffee that is paid the best price because you grow it for organic conditions, for taking care of the employees, paying good wages of doing it environmentally sensitive, and Starbucks and everybody else is participating in this. Also, the foods in our cafeterias are going to be organic. We are going to make sure that the eating habits of Congress become a lot healthier along with the way we are doing business in our offices.

Lastly, I am going to walk home with GEORGE MILLER, so I will leave, but I want to tell you, that in our office and I think other offices, we don't throw out the magazines, as we send them to the VA and community health clinics and senior centers. We don't put any dead batteries into the trash. We deposit them in a single place so they can be recycled. This is interesting, all the CDs you get sent in the mail for promotional advocacy efforts, they are not thrown out. They are provided to local gardeners to use to scare off birds and squirrels in their vegetable garden.

Mr. BLUMENAUER. Do they play them to scare them?

Mr. FARR. They use them as reflectors.

I just want to say to my colleagues, especially to you, Earl, that you have been a champion every day reminding people of the art of the possible, whether it is the bike caucus or the livable cities caucus or all of these things that end up being essentially the best that

America can reach for. I am very proud to serve with you. Thank you for asking us all to participate in tonight's caucus.

Mr. BLUMENAUER. Thank you, Sam. Thank you for your efforts and your kind words. I want to just elaborate for a moment on a point that Congressman INSLEE said in terms of providing choices.

□ 2330

What we are talking about here today is to provide Americans with better choices that meet their needs, giving them options, because too many people are trapped in a car, too many people don't have environmentally-sensitive opportunities available to them. Every day, Americans make billions of decisions about where to shop, what to buy, how to move, where to go. The extent to which we get it right, to give them a range of choices about where they live, how they can move that are available to them that meet their needs, we find that people inevitably gravitate toward things that are better for them and better for the community.

We are seeing it now coast to coast in terms of opportunities of livable communities where, if they can walk safely, they will; if they can bike safely, they will. They will take transit if it's available to them.

I think, Congressman INSLEE, your point a moment ago about choice, about choice and leveling the playing field, is really what this battle is about. If we are able to squeeze out the incentives for things that really aren't environmentally sensitive, because we tend to subsidize a lot of things that are actually environmentally destructive. If we even out the economics, if we give people those choices, it's going to make a difference. We are seeing it here on Capitol Hill, greening the Capitol in a way that will save us money while we give people better choices.

I know you have a lot of thoughts about ways to give people more choices in areas of energy conservation and production. I wonder as we are wrapping up if you have some thoughts that you would like to share in that direction.

Mr. INSLEE. Just one general one, and that is that the reason our approach to greening the Capitol works is that we are the optimists in this debate. We are the people who believe that options exist, that technologies will continue to grow, and as a result of that, Americans will have more choices of how they use energy and how they produce energy.

We have mentioned some of those new technologies tonight. I will just give you an example of a couple I've learned about in the last year about how to produce green electricity. We have made a commitment to buy green electricity for the U.S. House of Representatives. I just want to mention a couple of new ways to produce it.

One is wave power. If you have ever watched a big ship bob up and down on the waves, you understand how much power there is on the ocean. We have people capturing that energy and able to create electricity. This is a picture of a buoy. A similar one is going off the coast of Oregon this fall. The first wave power buoys in the world to be deployed were in Hawaii and are now powering some naval stations.

These are designed to essentially capture energy. As these buoys bob up and down, they compress water or air, creating pressure, which drives a generator, creates electricity, goes to the shore on a wire. Each have the capability to power close to 1,000 homes. There is enough energy in the waves in a 10-by-10-mile stretch off the Pacific Coast to produce all of the electricity for the State of California.

We are not guaranteed these are going to work because we have to make sure they can survive the terrible stresses at sea. But according to the Department of Energy, they have the capacity to produce 10 percent of all the electrical usage in the United States. I point this out because this technology wasn't even dreamed of 10 years ago.

Now, we have another option that could be available to Americans that right now, big investment, there's a lot of private investment in these companies. A company Finavera in Washington, a company called Ocean Power Technologies, there is a company associated with Oregon State University in Mr. BLUMENAUER's State. All work different approaches to this.

A second one that is intended to capture the power of the oceans are tidal-powered turbines that work sort of like a wind turbine, but they work on the currents that are driven by the tides. This is a picture of one. This is one by Verdant Power that works just like a wind turbine, but uses water through the blades instead of wind. Verdant actually has these in the East River in New York City. They are actually powering a grocery store right now with electricity.

We found out when the first six went in the water, there's actually more power than they knew, which actually disabled some of these so they have got to rebuild them to make them stronger, which is good news because there is more power than they thought.

We have someone in the State of Washington looking at potentially powering 50,000 homes with these tidal turbines now in the estuaries of Puget Sound.

I just point this out that we believe there are numerous options; we believe there are technologies that are going to free us from the constraints of the past. We are proving it in the U.S. Capitol. You can look at the dome and see the citadel of democracy and the citadel of new ways to save energy and produce it. I think Americans can be proud of that. I think we have a right to be a little bit, too.

Mr. BLUMENAUER, I thank you for your leadership on this and in leading in discussion.

Mr. BLUMENAUER. Thank you, Congressman INSLEE. I appreciate your being here, I appreciate your explanations, and I appreciate your continued work on our various committees that we serve on.

One final point that I would say in conclusion that we haven't talked about is that this is not just an issue of greening the Capitol in terms of providing examples. This is also fundamentally that the same principles that we are talking about here make a huge difference for American security. The first hearing that we had on our Global Warming and Energy Independence Committee was a panel of retired military and intelligence experts.

The United States Department of Defense is the largest consumer of energy in the world. An aircraft carrier gets 17 feet to the gallon. The war in Iraq is the most energy-intensive military operation in the history of the world. It is four times more energy-intensive than the first Iraq war. We are delivering gasoline to the front at a price of over $100 a gallon, and it's being delivered in tanker trucks that might as well have great big bull's eyes on them.

Our military understands that part of the reason they are engaged in Iraq now is because it is the second largest source of proven oil reserves. They understand that their budgets are being tortured out of all proportion because of the rapidly escalating energy costs. They understand that our dependence on petroleum in areas that are extraordinarily volatile in the Middle East, in other parts of the world and Africa, Venezuela, and being linked to a decline in petroleum whenever that peak hits, if it hasn't already, and handcuffs them, puts them at risk, costs them money.

So while we are talking about greening the Capitol, empowering people in the neighborhoods to live more environmentally-sensitive lives and to be able to have policies that will reduce the threat of global warming and greenhouse gases, there is a very real and very tangible element here that is the very security of the United States and the protection of our soldiers.

The things that you have been talking about here, Mr. INSLEE, and others, that we have talked about on Capitol Hill, if we are able to implement them for the Department of Defense, it's going to make a huge difference for the taxpayer and the safety and the military effectiveness of our soldiers.

Mr. INSLEE. We know we can do this. We know, because we have had success. In the late 1970s and early 1980s, we improved our mileage of our cars by 60 percent. Then in 1994 those efforts stopped and we stopped making any progress. Our cars are getting actually less mileage than they did in 1984. If we had simply continued on that rate of improvement, we would be free of Saudi Arabian oil today. Now we have got to get back on this bandwagon of using our brains to get better mileage. We know we can do this.

Just as a closing comment, I want to express my appreciation to the Americans doing this. We are not the only ones doing this in the Capitol. I know a woman on Bainbridge Island that greened up her home. I would like to say we're meeting that bar here in the House.

Again, thank you, Mr. BLUMENAUER.

Mr. BLUMENAUER. Thank you, Congressman INSLEE. I think it's safe to say that we are running to catch up with the American people, and that is one of the reasons why I think we are ultimately going to be successful in this, because the American public gets it.

□ 2340

Whether it is college campuses, churches, Girl Scout troops or Optimist Clubs, people are moving in this direction. I appreciate working with you and your joining us this evening.

Mr. Speaker, I know this will disappoint you because there are potentially another 15 minutes that we could have you and the dedicated desk staff held hostage, but I think we might sort of celebrate breaking for the holiday, and I am happy to yield back my time.

CORRECTION TO THE CONGRESSIONAL RECORD OF WEDNESDAY, NOVEMBER 14, 2007, AT PAGE H13937

CALL OF THE HOUSE

Mr. OBEY. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. A quorum is not present.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 1106]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. BONO (at the request of Mr. BOEHNER) after 4 p.m. on November 14 and for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. INSLEE) to revise and extend their remarks and include extraneous material:)

Mr. CUMMINGS, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. INSLEE, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. MEEK of Florida, for 5 minutes, today.

Mr. SARBANES, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BARRETT of South Carolina, for 5 minutes, today.

ADJOURNMENT

Mr. BLUMENAUER. Mr. Speaker, pursuant to House Concurrent Resolution 259, 110th Congress, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 40 minutes p.m.), pursuant to House Concurrent Resolution 259, 110th Congress, the House adjourned until Tuesday, December 4, 2007, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4147. A letter from the Assistant to the Board, Department of the Treasury, transmitting the Department's ''Major'' final rule — Risk-Based Capital Standards: Advanced Capital Adequacy Framework-Basel II [Docket No. OCC-2007-0018] (RIN: 1557-AC91) received November 15, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4148. A letter from the Principal Deputy Assistant Attorney General, Department of Justice, transmitting a copy of a report required by Section 202(a)(1)(C) of Pub. L. 107-273, the ''21st Century Department of Justice Appropriations Authorization Act,'' related to certain settlements and injunctive relief, pursuant to 28 U.S.C. 530D Public Law 107-273, section 202; to the Committee on the Judiciary.

4149. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-201, -202, -203, -223, -243, -301, -321, -322, -323, -341, -342, and -343 Airplanes; and Model A340-200 and -300 Series Airplanes [Docket No. FAA-2007-27741; Directorate Identifier 2006-NM-261-AD; Amendment 39-15141; AD 2007-16-02] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4150. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-400, 747-400D, and 747-400F Series Airplanes [Docket No. FAA-2006-23803; Directorate Identifier 2005-NM-238-AD; Amendment 39-15108; AD 2007-13-04] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4151. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A319-100 and A320-200 Series Airplanes [Docket No. FAA-2005-22918; Directorate Identifier 2005-NM-172-AD; Amendment 39-15143; AD 2007-16-04] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4152. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2004-18814; Directorate Identifier 2003-NM-286-AD; Amendment 39-15144; AD 2007-16-05] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4153. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-300, 747-400, 747-400D, and 747SR Series Airplanes [Docket No. FAA-2007-28015; Directorate Identifier 2006-NM-210-AD; Amendment 39-15147; AD 2007-16-08] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4154. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A310-203, A310-204, A310-222, A310-304, A310-322, and A310-324 Airplanes [Docket No. FAA-2007-28017; Directorate Identifier 2007-NM-005-AD; Amendment 39-15146; AD 2007-16-07] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4155. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-200 and A330-300 Series Airplanes; and Model A340-200, A340-300, A340-500, and A340-600 Series Airplanes [Docket No. FAA-2007-28036; Directorate Identifier 2006-NM-278-AD; Amendment 39-15145; AD 2007-16-06] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4156. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 757-200, -200PF, and -200CB Series Airplanes [Docket No. FAA-2007-28920; Directorate Identifier 2007-NM-162-AD; Amendment 39-15152; AD 2007-16-13] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4157. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model ERJ 170 Airplanes and Model ERJ 190 Airplanes [Docket No. FAA-2007-28094; Directorate Identifier 2006-NM-258-AD; Amendment 39-15148; AD 2007-16-09] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4158. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 757-200 and -300 Series Airplanes [Docket No. FAA-2006-25326; Directorate Identifier 2006-NM-081-AD; Amendment 39-15151; AD 2007-16-12] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4159. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-200B, 747-300, and 747-400 Series Airplanes [Docket No. FAA-2007-28940; Directorate Identifier 2007-NM-131-AD; Amendment 39-15158; AD 2007-16-19] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4160. A letter from the Program Analyst, Department of Transportation, transmitting

the Department's final rule — Airworthiness Directives; Taylorcraft A, B, and F Series Airplanes [Docket No. FAA-2007-FAA-2007-28478; Directorate Identifier 2007-CE-057-AD; Amendment 39-15153; AD 2007-16-14] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4161. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-135BJ Airplanes [Docket No. FAA-2007-28256; Directorate Identifier 2007-NM-041-AD; Amendment 39-15155; AD 2007-16-16] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4162. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Aerospatiale Model SN-601 (Corvette) Airplanes [Docket No. FAA-2007-28259; Directorate Identifier 2007-NM-024-AD; Amendment 39-15154; AD 2007-16-15] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4163. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300-600 Series Airplanes and Model A310 Series Airplanes [Docket No. FAA-2007-28159; Directorate Identifier 2006-NM-257-AD; Amendment 39-15156; AD 2007-16-17] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4164. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; General Electric (GE) CF6-80E1 Series Turbofan Engines [Docket No. FAA-2005-21238; Directorate Identifier 2005-NE-12-AD; Amendment 39-15159; AD 2007-17-01] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4165. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Allied Ag Cat Productions, Inc. (Type Certificate No. 1A16 formerly held by Schweizer Aircraft Corp.) G-164 Series Airplanes [Docket No. FAA-2007-27860; Directorate Identifier 2007-CE-034-AD; Amendment 39-15160; AD 2007-17-02] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4166. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Learjet Model 31, 31A, 35, 35A (C-21A), 36, 36A, 55, 55B, and 55C Airplanes, and Model 45 Airplanes [Docket No. FAA-2007-28016; Directorate Identifier 2006-NM-227-AD; Amendment 39-15175; AD 2007-17-17] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4167. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-300, 747-400, 747-400D, 747SR, and 747SP Series Airplanes [Docket No. FAA-2007-27525; Directorate Identifier 2006-NM-159-AD; Amendment 39-15089; AD 2007-12-11] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4168. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-200B, 747-200C, 747-200F, 747-300, 747SR, and 747SP Series Airplanes [Docket No. FAA-2007-27359; Directorate Identifier 2006-NM-042-AD; Amendment 39-15136; AD 2007-15-07] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4169. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747 Airplanes [Docket No. FAA-2006-26441; Directorate Identifier 2006-NM-204-AD; Amendment 39-15139; AD 2007-15-10] (RIN: 2120-AA64) received November 6, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GORDON: Committee on Science and Technology. H.R. 2406. A bill to authorize the National Institute of Standards and Technology to increase its efforts in support of the integration of the healthcare information enterprise in the United States; with an amendment (Rept. 110–451). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Resolution 661. Resolution honoring the accomplishments of Barrington Antonio Irving, the youngest pilot and first person of African descent ever to fly solo around the world; with amendments (Rept. 110–452). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. House Resolution 772. Resolution recognizing the American Highway Users Alliance on the occasion of its 75th anniversary, and for other purposes (Rept. 110–453). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 409. A bill to amend title 23, United States Code, to inspect highway tunnels (Rept. 110–454). Referred to the Committee of the Whole House on the State of the Union.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 3712. A bill to designate the Federal building and United States courthouse located at 1716 Spielbusch Avenue in Toledo, Ohio, as the ''James M. & Thomas W.L. Ashley Customs Building and United States Courthouse''; with amendments (Rept. 110–455). Referred to the House Calendar.

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 3985. A bill to amend title 49, United States Code, to direct the Secretary of Transportation to register a person providing transportation by an over-the-road bus as a motor carrier of passengers only if the person is willing and able to comply with certain accessibility requirements in addition to other existing requirements, and for other purposes (Rept. 110–456). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEORGE MILLER of California: Committee on Education and Labor. H.R. 2768. A bill to establish improved mandatory standards to protect miners during emergencies, and for other purposes; with an amendment (Rept. 110–457). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL PURSUANT TO RULE XII

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 948. Referral to the Committee on Ways and Means extended for a period ending not later than December 14, 2007.

H.R. 2830. Referral to the Committee on Energy and Commerce extended for a period ending not later than December 7, 2007.

H.R. 3890. Referral to the Committee on Ways and Means extended for a period ending not later than December 7, 2007.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BURGESS:

H.R. 4190. A bill to amend title 5, United States Code, to exclude Members of Congress from the Federal employees health benefits program, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TURNER:

H.R. 4191. A bill to redesignate Dayton Aviation Heritage National Historic Park in the State of Ohio as ''Wright Brothers-Dunbar National Historic Park'', and for other purposes; to the Committee on Natural Resources.

By Mr. TANCREDO:

H.R. 4192. A bill to reform immigration to serve the national interest; to the Committee on the Judiciary, and in addition to the Committees on Armed Services, Homeland Security, Oversight and Government Reform, Ways and Means, Education and Labor, Foreign Affairs, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MORAN of Kansas (for himself, Mr. GOODLATTE, Mr. LUCAS, Mr. NEUGEBAUER, Mr. CONAWAY, Mr. THORNBERRY, Mr. BOUSTANY, Mr. DAVIS of Kentucky, Mr. BAKER, Mr. KING of Iowa, Mrs. EMERSON, Mrs. MUSGRAVE, Mr. GRAVES, Mr. PICKERING, Mr. JOHNSON of Illinois, Ms. FOXX, Mr. GOHMERT, Mr. HAYES, Mr. HALL of Texas, Mr. SMITH of Nebraska, Mr. KINGSTON, Mr. WALBERG, Mr. SMITH of Texas, Mr. TIAHRT, Mr. BURGESS, Mr. CUELLAR, and Mr. BLUNT):

H.R. 4193. A bill to provide for an automatic one-year extension of the authorizations of appropriations and direct spending programs of the Farm Security and Rural Investment Act of 2002, and for other purposes; to the Committee on Agriculture.

By Mr. TOWNS (for himself, Mr. WHITFIELD, Ms. BERKLEY, Ms. ROS-LEHTINEN, Mr. GORDON, Ms. JACKSON-LEE of Texas, and Mr. WYNN):

H.R. 4194. A bill to establish a grant to increase enforcement of laws to prohibit underage drinking through social sources, to improve reporting of Federal underage drinking data, to establish grants to increase parental involvement in school-based efforts to reduce underage drinking, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Energy and Commerce, for a period to be

subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RANGEL (for himself and Mr. MCCRERY):

H.R. 4195. A bill to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey:

H.R. 4196. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to improve public notification and community relations concerning actions for the removal of environmental hazards; to the Committee on Energy and Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LANTOS:

H.R. 4197. A bill to prevent the admission of any member or leader of the Magyar Garda into the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. LAMPSON (for himself, Mr. COOPER, Mr. AL GREEN of Texas, Mr. PASTOR, Mr. GRIJALVA, Mr. GENE GREEN of Texas, Mr. GONZALEZ, Mr. BARROW, Mr. MARSHALL, Mr. POMEROY, Mr. SPACE, Mr. RODRIGUEZ, Mr. BRALEY of Iowa, Mr. CLAY, Mr. MCGOVERN, Mr. KAGEN, Mr. HILL, and Mr. BACA):

H.R. 4198. A bill to provide for competitive grants for the establishment and expansion of programs that use networks of public, private, and faith-based organizations to recruit and train foster and adoptive parents and provide support services to foster children and their families; to the Committee on Ways and Means.

By Mr. TURNER:

H.R. 4199. A bill to amend the Dayton Aviation Heritage Preservation Act of 1992 to add sites to the Dayton Aviation Heritage National Historical Park, and for other purposes; to the Committee on Natural Resources.

By Mr. TOWNS (for himself, Mr. DAVIS of Illinois, Mr. WYNN, and Mr. RUSH):

H.R. 4200. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for medical research related to developing qualified infectious disease products; to the Committee on Ways and Means.

By Mr. DENT (for himself, Mr. MARSHALL, Mr. GOHMERT, Mr. REICHERT, Mr. SESSIONS, Mr. FORTUÑO, Mr. SOUDER, Mr. SHAYS, Mr. TIM MURPHY of Pennsylvania, Mr. POE, Mr. PLATTS, Mr. HOLDEN, Mr. FEENEY, Mr. DUNCAN, Mrs. BLACKBURN, Mr. SHUSTER, Mr. GERLACH, Mrs. CAPITO, Mr. MARCHANT, Mr. COBLE, Mr. BILBRAY, Mr. DAVIS of Kentucky, Mr. CARNEY, and Mr. SAXTON):

H.R. 4201. A bill to require State and local law enforcement agencies to determine the immigration status of all individuals arrested by such agencies for a felony, to require such agencies to report to the Secretary of Homeland Security when they have arrested for a felony an alien unlawfully present in the United States, to require mandatory Federal detention of such individuals pending removal in cases where they are not otherwise detained, and for other purposes; to the Committee on the Judiciary.

By Ms. SCHAKOWSKY (for herself, Mr. MOORE of Kansas, Mr. BRADY of Pennsylvania, Mr. LANTOS, Mr. DAVIS of Illinois, Ms. WATSON, Mr. HINCHEY, Mr. KIRK, Mr. WYNN, Mr. GRIJALVA, Mr. FARR, Mr. WALSH of New York, Mrs. LOWEY, Ms. BALDWIN, Ms. BORDALLO, and Mr. MCGOVERN):

H.R. 4202. A bill to require all newly constructed, federally assisted, single-family houses and town houses to meet minimum standards of visitability for persons with disabilities; to the Committee on Financial Services.

By Mr. JOHNSON of Georgia:

H.R. 4203. A bill to designate the facility of the United States Postal Service located at 3035 Stone Mountain Street in Lithonia, Georgia, as the ''Jamaal RaShard Addison Post Office Building''; to the Committee on Oversight and Government Reform.

By Mr. BOSWELL (for himself, Mr. LOEBSACK, Mr. BRALEY of Iowa, Mr. MICHAUD, Mr. SHULER, Mr. PATRICK MURPHY of Pennsylvania, Mr. ETHERIDGE, Mr. ALTMIRE, Mr. REYES, Mr. THOMPSON of California, Mr. FILNER, Mr. ELLSWORTH, Mr. BOYD of Florida, Mr. KAGEN, Mr. MOORE of Kansas, Ms. BEAN, Mr. SCOTT of Virginia, Mr. BACA, Mr. BARROW, Ms. HERSETH SANDLIN, Mr. MARSHALL, Mr. FRANK of Massachusetts, Mr. EDWARDS, Mr. DAVIS of Illinois, Mr. RUSH, and Mr. TOWNS):

H.R. 4204. A bill to direct the Secretary of Veterans Affairs to conduct a study on suicides among veterans; to the Committee on Veterans' Affairs.

By Mr. ALLEN:

H.R. 4205. A bill to reauthorize and improve programs of the National Health Service Corps; to the Committee on Energy and Commerce.

By Ms. BERKLEY (for herself, Mr. BURGESS, Mrs. MALONEY of New York, Mr. MCNULTY, Mr. PAUL, Mr. ROTHMAN, Mr. GOODE, Mr. SESSIONS, Mrs. MYRICK, Mr. GENE GREEN of Texas, Mrs. CAPPS, Mr. KLEIN of Florida, Ms. LORETTA SANCHEZ of California, Ms. MOORE of Wisconsin, Ms. ROYBAL-ALLARD, Ms. LINDA T. SÁNCHEZ of California, Mrs. TAUSCHER, Ms. ZOE LOFGREN of California, Mrs. DAVIS of California, Ms. SOLIS, Ms. MATSUI, Mr. BERRY, Mr. HINCHEY, Ms. SCHAKOWSKY, Ms. GIFFORDS, Ms. CASTOR, Mrs. GILLIBRAND, Mr. ELLSWORTH, Ms. WOOLSEY, Ms. WATSON, Ms. BORDALLO, Ms. SCHWARTZ, Mr. ISRAEL, Ms. VELÁZQUEZ, Mr. PASCRELL, Ms. MCCOLLUM of Minnesota, Mr. CROWLEY, Mr. HARE, Mr. JOHNSON of Georgia, Mrs. MCCARTHY of New York, Ms. HOOLEY, and Mrs. NAPOLITANO):

H.R. 4206. A bill to amend title XVIII of the Social Security Act to improve access to, and increase utilization of, bone mass measurement benefits under the Medicare part B Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BERKLEY:

H.R. 4207. A bill to provide States with the incentives, flexibility and resources to develop child welfare services that focus on improving circumstances for children, whether in foster care or in their own homes; to the Committee on Ways and Means.

By Ms. BERKLEY (for herself, Mr. HINOJOSA, Ms. BORDALLO, Mr. ELLISON, and Mr. CONYERS):

H.R. 4208. A bill to create the income security conditions and family supports needed to ensure permanency for the Nation's unaccompanied youth, and for other purposes; to the Committee on Ways and Means.

By Mrs. BOYDA of Kansas:

H.R. 4209. A bill to authorize the voluntary purchase of certain properties in Treece, Kansas endangered by the Cherokee County National Priorities List Site, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BUTTERFIELD (for himself, Mr. PRICE of North Carolina, Mr. ETHERIDGE, Mr. JONES of North Carolina, Mr. SHULER, Mr. WATT, Mr. MILLER of North Carolina, Mrs. MYRICK, Mr. MCINTYRE, and Mr. COBLE):

H.R. 4210. A bill to designate the facility of the United States Postal Service located at 401 Washington Avenue in Weldon, North Carolina, as the ''Dock M. Brown Post Office Building''; to the Committee on Oversight and Government Reform.

By Mr. BUTTERFIELD (for himself, Mr. PRICE of North Carolina, Mr. ETHERIDGE, Mr. JONES of North Carolina, Mr. SHULER, Mr. WATT, Mr. MILLER of North Carolina, Mrs. MYRICK, Mr. MCINTYRE, and Mr. COBLE):

H.R. 4211. A bill to designate the facility of the United States Postal Service located at 725 Roanoke Avenue in Roanoke Rapids, North Carolina, as the ''Judge Richard B. Allsbrook Post Office''; to the Committee on Oversight and Government Reform.

By Mr. CRAMER:

H.R. 4212. A bill to authorize the Administrator of the Small Business Administration to deem certain small business concerns qualified HUBZone small business concerns; to the Committee on Small Business.

By Mr. CRAMER:

H.R. 4213. A bill to amend the Small Business Act to provide for an increase in the amount of awards under the first and second phases of the Small Business Innovation Research program; to the Committee on Small Business, and in addition to the Committee on Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CUMMINGS (for himself, Mr. SARBANES, Mr. TOWNS, and Mr. WYNN):

H.R. 4214. A bill to improve the prevention, detection, and treatment of community and healthcare-associated infections (CHAI), with a focus on antibiotic-resistant bacteria; to the Committee on Energy and Commerce.

By Mr. DAVIS of Alabama (for himself and Mr. LEWIS of Kentucky):

H.R. 4215. A bill to amend the Internal Revenue Code of 1986 to update the optional methods for computing net earnings from self-employment; to the Committee on Ways and Means.

By Mr. DAVIS of Illinois:

H.R. 4216. A bill to amend the Higher Education Act of 1965 to authorize grant programs to enhance the access of low-income Black students to higher education; to the Committee on Education and Labor.

By Mr. DAVIS of Illinois:

H.R. 4217. A bill to study the access to and success in education of minority males, including high school graduation and college participation; to the Committee on Education and Labor.

By Ms. DEGETTE (for herself, Mr. CASTLE, Mr. BECERRA, Mr. KIRK, and Mr. ALTMIRE):

H.R. 4218. A bill to amend title XVIII of the Social Security Act to improve access to diabetes self-management training by designating certain certified diabetes educators as certified providers for purposes of outpatient diabetes self-management training services under part B of the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on

Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DONNELLY (for himself and Mr. UPTON):

H.R. 4219. A bill to direct the Secretary of Veterans Affairs to assign a temporary disability rating to certain members of the Armed Forces upon separation, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. EMERSON (for herself, Mr. MORAN of Kansas, and Mr. MCGOVERN):

H.R. 4220. A bill to encourage the donation of excess food to nonprofit organizations that provide assistance to food-insecure people in the United States in contracts entered into by executive agencies for the provision, service, or sale of food; to the Committee on Oversight and Government Reform.

By Ms. ESHOO (for herself, Mr. CHANDLER, Mr. BLUMENAUER, and Mr. LAHOOD):

H.R. 4221. A bill to mandate satellite carriage of qualified noncommercial educational television stations; to the Committee on Energy and Commerce.

By Mr. FORTENBERRY:

H.R. 4222. A bill to amend title I of the Employee Retirement Income Security Act of 1974, the Internal Revenue Code of 1986, and title XXII of the Public Health Service Act to extend COBRA benefits for certain TAA-eligible individuals and PBGC recipients; to the Committee on Education and Labor, and in addition to the Committees on Ways and Means, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FORTENBERRY (for himself, Mr. TOWNS, Mr. SMITH of New Jersey, Mr. ADERHOLT, Mr. FRANKS of Arizona, and Mr. MCCOTTER):

H.R. 4223. A bill to establish the Congressional-Executive Commission on the Socialist Republic of Vietnam; to the Committee on Foreign Affairs, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FOSSELLA:

H.R. 4224. A bill to prohibit the Secretary of State from making a contribution to the United Nations until such time as the United Nations is in compliance with fire, building, and safety codes; to the Committee on Foreign Affairs.

By Ms. GIFFORDS:

H.R. 4225. A bill to establish the William H. Rehnquist Center on the Constitutional Structures of Government at the University of Arizona James E. Rogers School of Law; to the Committee on Education and Labor, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILCHREST (for himself and Mr. OLVER):

H.R. 4226. A bill to accelerate the reduction of greenhouse gas emissions in the United States by establishing a market-driven system of greenhouse gas tradeable allowances that will limit greenhouse gas emissions in the United States, reduce dependence upon foreign oil, and ensure benefits to consumers from the trading in such allowances, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Science and Technology, Natural Resources, Foreign Affairs, Agriculture, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GONZALEZ:

H.R. 4227. A bill to amend title 18, United States Code, to modify an exception to certain prohibitions; to the Committee on the Judiciary.

By Mr. GRIJALVA (for himself and Ms. GIFFORDS):

H.R. 4228. A bill to withdraw certain Federal lands and interests located in Pima and Santa Cruz counties, Arizona, from the mining and mineral leasing laws of the United States, and for other purposes; to the Committee on Natural Resources.

By Mr. HALL of New York (for himself, Mr. FILNER, Mr. SPACE, and Mr. KAGEN):

H.R. 4229. A bill to amend title 38, United States Code, to establish in the Department of Veterans Affairs a Bonus Review Board; to the Committee on Veterans' Affairs.

By Ms. HOOLEY (for herself, Mrs. CAPITO, Mr. ALLEN, Mr. BLUMENAUER, Ms. BORDALLO, Mr. CLEAVER, Mr. COURTNEY, Mr. ENGEL, Mr. HONDA, Mr. MCGOVERN, Mr. MICHAUD, Mr. VAN HOLLEN, Mr. WYNN, Mr. WU, Ms. KILPATRICK, Mr. AL GREEN of Texas, Mr. KILDEE, and Ms. SCHAKOWSKY):

H.R. 4230. A bill to amend the Public Health Service Act to establish a school-based health clinic program, and for other purposes; to the Committee on Energy and Commerce.

By Mr. KAGEN (for himself, Mr. SHULER, Mr. POMEROY, Mr. WEXLER, Mr. WAMP, Mr. TAYLOR, Mr. JOHNSON of Georgia, Ms. CLARKE, Mr. BLUMENAUER, Mr. MELANCON, Mr. SESTAK, Mr. CARNEY, Mr. HOLDEN, Mr. ELLISON, Ms. BERKLEY, Mrs. BOYDA of Kansas, Mr. KILDEE, Mr. FILNER, Mr. BOSWELL, Mr. SCOTT of Virginia, Mr. BACA, Mr. BARROW, Mr. BRALEY of Iowa, Mr. DICKS, Ms. HERSETH SANDLIN, Mr. DONNELLY, Mr. HINCHEY, Mr. MCDERMOTT, Ms. TSONGAS, Mr. PERLMUTTER, Mr. HIGGINS, Mr. ALTMIRE, and Mr. LARSON of Connecticut):

H.R. 4231. A bill to direct the Secretary of Veterans Affairs to carry out a pilot program to provide mental health services to certain veterans of Operation Enduring Freedom and Operation Iraqi Freedom; to the Committee on Veterans' Affairs.

By Mr. KENNEDY (for himself and Mr. RAMSTAD):

H.R. 4232. A bill to improve mental and substance use health care; to the Committee on Energy and Commerce.

By Mrs. LOWEY:

H.R. 4233. A bill to amend the Federal Food, Drug, and Cosmetic Act relating to freshness dates on food; to the Committee on Energy and Commerce.

By Mrs. LOWEY:

H.R. 4234. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that foods containing spices, flavoring, or coloring derived from meat, poultry, or other animal products (including insects) bear labeling stating that fact and their names; to the Committee on Energy and Commerce.

By Mrs. LOWEY:

H.R. 4235. A bill to amend the Internal Revenue Code of 1986 to restore the estate tax, to repeal the carryover basis rule, to reduce estate tax rates by 20 percent, to increase the unified credit against estate and gift taxes to the equivalent of a $3,000,000 exclusion and to provide an inflation adjustment of such amount, and for other purposes; to the Committee on Ways and Means.

By Mr. LYNCH:

H.R. 4236. A bill to provide for the protection and the integrity of the United States mail; to the Committee on Oversight and Government Reform.

By Mrs. MALONEY of New York (for herself and Mr. HONDA):

H.R. 4237. A bill to amend the Uniformed and Overseas Citizens Absentee Voting Act to prohibit States from refusing to accept balloting materials solely because the materials are generated through the use of a computer program, are not printed on a specific type of paper, or do not otherwise meet similar extraneous requirements which are not clearly necessary to prevent fraud in the conduct of elections, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY (for himself, Mr. GRIJALVA, Mr. HINCHEY, Mr. VAN HOLLEN, Ms. SLAUGHTER, Mr. DELAHUNT, Ms. ROYBAL-ALLARD, Ms. LORETTA SANCHEZ of California, Ms. LEE, Mr. BLUMENAUER, Mr. DEFAZIO, and Mr. STARK):

H.R. 4238. A bill to amend the Solid Waste Disposal Act to require a refund value for certain beverage containers, and to provide resources for State pollution prevention and recycling programs, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MURPHY of Connecticut (for himself and Mr. SPACE):

H.R. 4239. A bill to establish a House ethics commission, and for other purposes; to the Committee on House Administration, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PERLMUTTER (for himself, Mrs. MUSGRAVE, Ms. DEGETTE, Mr. SALAZAR, Mr. LAMBORN, Mr. TANCREDO, and Mr. UDALL of Colorado):

H.R. 4240. A bill to designate the facility of the United States Postal Service located at 10799 West Alameda Avenue in Lakewood, Colorado, as the ''Felix Sparks Post Office Building''; to the Committee on Oversight and Government Reform.

By Mr. POE:

H.R. 4241. A bill to prohibit the transfer of personal information to any person or business outside the United States, without notice; to the Committee on Financial Services.

By Mr. POMEROY:

H.R. 4242. A bill to amend the Internal Revenue Code of 1986 to retain the estate tax with an immediate increase in the exemption, to repeal the new carryover basis rules in order to prevent tax increases and the imposition of compliance burdens on many more estates than would benefit from repeal, and for other purposes; to the Committee on Ways and Means.

By Mr. POMEROY (for himself, Mr. BRADY of Texas, and Ms. HERSETH SANDLIN):

H.R. 4243. A bill to provide for the issuance of bonds to provide funding for the construction of schools of the Bureau of Indian Affairs, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Education and Labor, and Natural Resources, for a period to be subsequently determined by the Speaker, in

each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SALAZAR (for himself, Mr. MICHAUD, Mrs. MCMORRIS RODGERS, Mr. KIND, and Mr. UDALL of Colorado):

H.R. 4244. A bill to amend the Internal Revenue Code of 1986 to allow a credit for qualified expenditures paid or incurred to replace certain wood stoves; to the Committee on Ways and Means.

By Mr. SALI:

H.R. 4245. A bill to amend the Healthy Forests Restoration Act of 2003 to provide for the categorical exclusion of certain projects on Federal land located adjacent to non-Federal land from documentation in an environmental impact statement or environmental assessment when conditions on the Federal land pose a serious risk to the non-Federal land, to authorize the Secretary of Agriculture and the Secretary of the Interior to enter into contracts or agreements for forest projects on Federal land with non-Federal entities that own adjacent land, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHERMAN (for himself, Mr. MANZULLO, Mr. CROWLEY, and Mr. BLUNT):

H.R. 4246. A bill to improve the performance of the defense trade controls functions of the Department of State, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SMITH of Washington (for himself, Mr. ETHERIDGE, Mr. CROWLEY, Mr. MORAN of Virginia, Mr. GONZALEZ, Mrs. GILLIBRAND, Mr. PERLMUTTER, Mrs. TAUSCHER, Mr. TAYLOR, and Mr. ELLSWORTH):

H.R. 4247. A bill to improve certain compensation, health care, and education benefits for individuals who serve in a reserve component of the uniformed services, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Ways and Means, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. TAUSCHER (for herself and Mr. ENGLISH of Pennsylvania):

H.R. 4248. A bill to ensure access to recreational therapy in inpatient rehabilitation facilities, inpatient psychiatric facilities, and skilled nursing facilities under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UDALL of Colorado:

H.R. 4249. A bill to direct the Secretary of Agriculture to exchange certain lands in the Arapaho-Roosevelt National Forests in Colorado and to adjust the boundary of such National Forests; to the Committee on Natural Resources.

By Mrs. WILSON of New Mexico (for herself, Ms. GIFFORDS, Mr. SPRATT, and Mr. SMITH of Texas):

H.R. 4250. A bill to provide grants and loan guarantees for the development and construction of science parks to promote the clustering of innovation through high technology activities; to the Committee on Science and Technology.

By Mr. FRANK of Massachusetts:

H. Con. Res. 259. Concurrent resolution providing for an adjournment or recess of the two Houses; considered and agreed to.

By Mr. MARIO DIAZ-BALART of Florida (for himself, Mr. MCCOTTER, Mr. HINCHEY, Mr. FORTUÑO, Mr. MILLER of Florida, Mr. MACK, Mr. RENZI, Mr. WOLF, Mrs. MYRICK, Mr. PUTNAM, Mr. GONZALEZ, Mr. LINCOLN DIAZ-BALART of Florida, Mr. BURTON of Indiana, Mr. KELLER, Ms. CORRINE BROWN of Florida, Mr. ENGLISH of Pennsylvania, Mr. BUCHANAN, Mr. WELLER, and Ms. GRANGER):

H. Con. Res. 260. Concurrent resolution condemning the kidnapping and hostage-taking of 3 United States citizens for over 4 years by the Revolutionary Armed Forces of Colombia (FARC), and demanding their immediate and unconditional release; to the Committee on Foreign Affairs.

By Mrs. DRAKE (for herself, Mr. TAYLOR, Mr. FORBES, Mr. TOM DAVIS of Virginia, and Mr. SCOTT of Virginia):

H. Con. Res. 261. Concurrent resolution commemorating the centennial anniversary of the sailing of the Navy's ''Great White Fleet,'' launched by President Theodore Roosevelt on December 16, 1907, from Hampton Roads, Virginia, and returning there on February 22, 1909; to the Committee on Armed Services.

By Mr. ISRAEL (for himself, Mr. WOLF, and Mr. WEINER):

H. Con. Res. 262. Concurrent resolution expressing the sense of Congress regarding Saudi Arabia's policies relating to religious practice and tolerance, including Saudi Arabia's commitment to revise Saudi textbooks to remove intolerant and violent references; to the Committee on Foreign Affairs.

By Mr. KINGSTON (for himself, Mr. ADERHOLT, Mr. AKIN, Mrs. BLACKBURN, Mrs. BONO, Mr. BOOZMAN, Mr. BRADY of Texas, Mr. BROUN of Georgia, Mrs. CAPITO, Mr. CARTER, Mr. CASTLE, Mr. CHABOT, Mr. CRENSHAW, Mr. CONAWAY, Mr. CULBERSON, Mr. DEAL of Georgia, Mr. DENT, Mr. DOOLITTLE, Mrs. DRAKE, Mr. EHLERS, Mr. EVERETT, Ms. FALLIN, Mr. FEENEY, Mr. FLAKE, Mr. FORBES, Mr. FORTENBERRY, Ms. FOXX, Mr. GILCHREST, Mr. GINGREY, Mr. GOODE, Mr. GOODLATTE, Mr. GOHMERT, Ms. GRANGER, Mr. HASTERT, Mr. HENSARLING, Mr. INGLIS of South Carolina, Mr. ISSA, Mr. JONES of North Carolina, Mr. KING of New York, Mr. KING of Iowa, Mr. KIRK, Mr. KLINE of Minnesota, Mr. LAHOOD, Mr. LAMBORN, Mr. LATHAM, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. DANIEL E. LUNGREN of California, Mr. MACK, Mr. MARCHANT, Mr. MCCAUL of Texas, Mr. MCCOTTER, Mr. MCHENRY, Mr. MILLER of Florida, Mr. MORAN of Kansas, Mrs. MUSGRAVE, Mrs. MYRICK, Mr. PENCE, Mr. PITTS, Mr. PORTER, Mr. PRICE of Georgia, Mr. REHBERG, Mr. RENZI, Mr. ROHRABACHER, Mr. ROSKAM, Mrs. SCHMIDT, Mr. SHUSTER, Mr. SMITH of New Jersey, Mr. SOUDER, Mr. STEARNS, Mr. TERRY, Mr. THORNBERRY, Mr. TIAHRT, Mr. WALBERG, Mr. WESTMORELAND, Mr. WAMP, Mr. WELDON of Florida, and Mr. WOLF):

H. Con. Res. 263. Concurrent resolution to establish the Joint Select Committee on Earmark Reform, and for other purposes; to the Committee on Rules.

By Mr. BARROW (for himself, Mr. KINGSTON, Mr. GINGREY, Mr. MARSHALL, Mr. SCOTT of Georgia, Mr. PRICE of Georgia, Mr. WESTMORELAND, Mr. JOHNSON of Georgia, Mr. LEWIS of Georgia, Mr. BROUN of Georgia, Mr. DEAL of Georgia, Mr. BISHOP of Georgia, and Mr. LINDER):

H. Res. 828. A resolution honoring the firefighters and other public servants who responded to the wildfires in south Georgia during the spring of 2007; to the Committee on Oversight and Government Reform.

By Mrs. BOYDA of Kansas (for herself, Mr. MOORE of Kansas, Mr. SKELTON, and Mr. CLEAVER):

H. Res. 829. A resolution recognizing the region from Manhattan, Kansas, to Columbia, Missouri, as the Kansas City Animal Health Corridor, and for other purposes; to the Committee on Agriculture.

By Mrs. CHRISTENSEN (for herself, Mr. RUSH, Mr. BILBRAY, Mrs. DAVIS of California, Mr. BUTTERFIELD, Mr. DAVIS of Illinois, Mr. BISHOP of Georgia, Mr. HASTINGS of Florida, Mrs. JONES of Ohio, Mr. JEFFERSON, Mr. WYNN, Mr. MEEKS of New York, Mr. TOWNS, and Mr. CLEAVER):

H. Res. 830. A resolution urging health care providers to engage in a strong program to prevent, detect, and treat diabetes, including through the use of a treatment regimen that includes certain minimum clinical practice recommendations, including measurements of body weight and other associated risk factors; to the Committee on Energy and Commerce.

By Mr. HUNTER:

H. Res. 831. A resolution encouraging Americans to purchase American-made products during the holiday season, and for other purposes; to the Committee on Energy and Commerce.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mr. EDWARDS, Mr. LAMPSON, Mr. HINOJOSA, Mr. GONZALEZ, Mr. ORTIZ, Ms. GRANGER, Mr. BURGESS, Mr. GENE GREEN of Texas, Mr. PAUL, and Mr. REYES):

H. Res. 832. A resolution honoring the Texas Water Development Board on its selection as a recipient of the the Environmental Protection Agency's 2007 Clean Water State Revolving Fund Performance and Innovation Award; to the Committee on Transportation and Infrastructure.

By Mr. OBERSTAR (for himself, Ms. GINNY BROWN-WAITE of Florida, Mr. MCDERMOTT, and Mr. CAMP of Michigan):

H. Res. 833. A resolution expressing support for the goals of National Adoption Day and National Adoption Month by promoting national awareness of adoption and the children awaiting families, celebrating children and families involved in adoption, and encouraging Americans to secure safety, permanency, and well-being for all children; to the Committee on Education and Labor.

By Mr. ORTIZ (for himself and Mr. ABERCROMBIE):

H. Res. 834. A resolution regarding the readiness decline of the Army, Marine Corps, National Guard, and Reserves, and the implications for national security; to the Committee on Armed Services.

By Mr. PALLONE (for himself and Mr. KUHL of New York):

H. Res. 835. A resolution condemning Syria for its destablizing actions in the Middle East region and calling on Iraq not to reopen its oil pipeline to Syria; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

215. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Resolution

No. 107 memorializing the Congress of the United States to reauthorize Amtrak funding and support states in their efforts to expand passenger rail service; to the Committee on Transportation and Infrastructure.

216. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 102 memorializing the Congress of the United States to provide for the construction and maintenance of a national cemetery in Michigan's Upper Penninsula; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 35: Mr. FORBES.
H.R. 39: Ms. MATSUI.
H.R. 158: Mr. FALEOMAVAEGA.
H.R. 160: Mr. FALEOMAVAEGA.
H.R. 171: Mr. COURTNEY.
H.R. 303: Mr. ALEXANDER.
H.R. 333: Mr. GUTIERREZ.
H.R. 368: Mr. ALLEN.
H.R. 460: Mr. BLUMENAUER.
H.R. 549: Ms. ROYBAL-ALLARD, Mr. KILDEE, Mr. ALTMIRE, Mr. SIRES, Mr. HINCHEY, Mr. COURTNEY, and Mr. YARMUTH.
H.R. 552: Mr. CARNEY, Mrs. BOYDA of Kansas, Ms. WOOLSEY, and Mr. SHADEGG.
H.R. 578: Ms. LORETTA SANCHEZ of California, Mr. SHIMKUS, Mr. SCOTT of Georgia, Mrs. SCHMIDT, Mr. BOREN, Mr. CONAWAY, Mr. BUTTERFIELD, Mr. MILLER of Florida, Mrs. MUSGRAVE, Mr. CALVERT, and Mr. FORBES.
H.R. 583: Mr. FRANK of Massachusetts.
H.R. 594: Mr. HODES.
H.R. 618: Mr. PETERSON of Minnesota.
H.R. 621: Mr. CARNEY.
H.R. 627: Mr. KILDEE, Mr. YARMUTH, Mr. ALTMIRE, Ms. CASTOR, Mr. PASCRELL, and Mr. DELAHUNT.
H.R. 648: Mr. SIRES and Mr. DENT.
H.R. 695: Mr. CARNEY.
H.R. 699: Mr. GOHMERT.
H.R. 729: Mr. HODES.
H.R. 748: Mr. SARBANES, Mr. DOYLE, and Mrs. TAUSCHER.
H.R. 770: Ms. CLARKE.
H.R. 821: Mr. HINCHEY, Mr. YARMUTH, Mr. ALTMIRE, Ms. CASTOR, Mr. PASCRELL, and Mr. MORAN of Kansas.
H.R. 847: Mr. BAIRD and Mr. PRICE of Georgia.
H.R. 850: Mr. BARROW.
H.R. 854: Ms. KILPATRICK.
H.R. 882: Mr. SESTAK, and Mr. CARNEY.
H.R. 887: Mr. HONDA.
H.R. 1076: Mrs. MYRICK, Mr. ALTMIRE, and Mr. HILL.
H.R. 1078: Mrs. MALONEY of New York, Mr. KILDEE, and Mr. PRICE of North Carolina.
H.R. 1084: Ms. SCHAKOWSKY, and Mr. LATHAM.
H.R. 1108: Ms. VELÁZQUEZ, Mr. ROSS, and Ms. WATSON.
H.R. 1112: Mr. GERLACH.
H.R. 1134: Mr. SNYDER.
H.R. 1166: Mrs. CHRISTENSEN, Ms. WOOLSEY, Mr. SIRES, and Mr. HONDA.
H.R. 1169: Mr. SIRES, Ms. CASTOR, and Ms. WOOLSEY.
H.R. 1174: Mr. FERGUSON, Mr. BOUCHER, and Mr. KILDEE.
H.R. 1193: Mr. FATTAH, Mr. LARSON of Connecticut, Mr. ROGERS of Kentucky, Mr. MEEKS of New York, Mr. SESTAK, Mrs. BONO, and Mr. CROWLEY.
H.R. 1198: Mr. ROGERS of Michigan.
H.R. 1216: Mr. FOSSELLA.
H.R. 1232: Mrs. BOYDA of Kansas.
H.R. 1237: Mr. SENSENBRENNER and Mr. KING of New York.
H.R. 1275: Ms. CASTOR.
H.R. 1293: Mr. CARNEY.
H.R. 1295: Mr. FEENEY.
H.R. 1304: Mr. BRALEY of Iowa.
H.R. 1320: Mrs. MUSGRAVE.
H.R. 1321: Mr. BUTTERFIELD, Mr. TOWNS, and Mr. MEEK of Florida.
H.R. 1328: Mr. PETERSON of Minnesota.
H.R. 1333: Mr. CARNEY.
H.R. 1357: Mr. CARNEY.
H.R. 1363: Mr. CLEAVER, Mr. UDALL of New Mexico, and Mr. CONYERS.
H.R. 1405: Mr. ETHERIDGE and Ms. CLARKE.
H.R. 1422: Mr. VAN HOLLEN and Mr. PERLMUTTER.
H.R. 1436: Mr. ALEXANDER.
H.R. 1440: Mr. HOLT.
H.R. 1464: Mr. GERLACH.
H.R. 1474: Mr. WALSH of New York and Ms. SCHWARTZ.
H.R. 1497: Ms. ESHOO.
H.R. 1512: Mr. GARY G. MILLER of California.
H.R. 1518: Ms. ZOE LOFGREN of California.
H.R. 1524: Mr. WYNN and Mr. HONDA.
H.R. 1542: Mr. VAN HOLLEN, Mr. DAVIS of Illinois, Mr. KILDEE, and Ms. LEE.
H.R. 1552: Mr. DEFAZIO and Ms. KILPATRICK.
H.R. 1553: Ms. FALLIN, Mr. JEFFERSON, Ms. BORDALLO, Mr. COHEN, Mr. ROSKAM, Mr. CALVERT, and Mr. COURTNEY.
H.R. 1576: Mr. FERGUSON.
H.R. 1584: Mr. CROWLEY.
H.R. 1608: Mrs. DAVIS of California.
H.R. 1609: Mr. MURPHY of Connecticut and Mr. JOHNSON of Georgia.
H.R. 1610: Mr. THOMPSON of California.
H.R. 1621: Mrs. LOWEY and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 1647: Mr. LEWIS of Georgia, Mr. WYNN, and Mr. JONES of North Carolina.
H.R. 1665: Mrs. LOWEY.
H.R. 1711: Mr. SIRES and Ms. CASTOR.
H.R. 1728: Ms. ROYBAL-ALLARD.
H.R. 1738: Mr. PORTER, Mr. LEWIS of Georgia, and Mr. MCGOVERN.
H.R. 1740: Mr. GILCHREST.
H.R. 1742: Mr. PRICE of North Carolina and Ms. BERKLEY.
H.R. 1783: Ms. LINDA T. SÁNCHEZ of California.
H.R. 1791: Mr. UDALL of Colorado.
H.R. 1829: Mr. ENGLISH of Pennsylvania.
H.R. 1866: Mr. LATOURETTE.
H.R. 1881: Mr. KILDEE.
H.R. 1884: Mr. SCHIFF and Mr. PERLMUTTER.
H.R. 1890: Mr. CARNEY.
H.R. 1909: Mr. CARNEY, Mr. GILCHREST, and Mr. FRANKS of Arizona.
H.R. 1921: Mr. TOWNS and Mr. MORAN of Kansas.
H.R. 1974: Mr. CHANDLER.
H.R. 1983: Ms. SCHWARTZ.
H.R. 1992: Mrs. LOWEY.
H.R. 2012: Mr. CARNEY.
H.R. 2046: Mr. BLUMENAUER.
H.R. 2053: Mr. UDALL of New Mexico, Mr. SESTAK, and Mr. LATOURETTE.
H.R. 2067: Mr. WESTMORELAND.
H.R. 2070: Mr. SIRES, Ms. BERKLEY, Mr. MCGOVERN, and Ms. CASTOR.
H.R. 2087: Ms. BERKLEY, Mr. SIRES, Mr. ALLEN, Mr. TIM MURPHY of Pennsylvania, Ms. CASTOR, Mr. COURTNEY, and Ms. SOLIS.
H. R. 2091: Mr. PATRICK MURPHY of Pennsylvania and Mr. CLEAVER.
H.R. 2108: Mr. NEAL of Massachusetts.
H.R. 2109: Mr. GARY G. MILLER of California.
H.R. 2166: Ms. CASTOR and Mr. SIRES.
H.R. 2169: Ms. LORETTA SANCHEZ of California, Mr. GORDON, Mr. SARBANES, Ms. ESHOO, Ms. ROYBAL-ALLARD, and Mrs. MALONEY of New York.
H.R. 2188: Ms. SCHWARTZ and Mr. CHANDLER.
H.R. 2210: Ms. ZOE LOFGREN of California.
H.R. 2231: Mr. WELCH of Vermont.
H.R. 2244: Mr. CARNEY.
H.R. 2265: Mr. STARK.
H.R. 2266: Mr. SHIMKUS.
H.R. 2267: Ms. SCHWARTZ and Mr. PITTS.
H.R. 2287: Mr. SIRES, Mr. KILDEE, Mr. ALTMIRE, Mr. COURTNEY, Mr. YARMUTH, Mr. SHUSTER, and Mrs. BIGGERT.
H.R. 2303: Mr. PORTER.
H.R. 2329: Mr. ROTHMAN.
H.R. 2332: Ms. GRANGER, Mrs. CAPITO, Mr. ALEXANDER, Mr. CARNEY, and Mr. WESTMORELAND.
H.R. 2353: Mr. GENE GREEN of Texas, Mr. CARNEY, and Mr. ISRAEL.
H.R. 2407: Mr. MOORE of Kansas.
H.R. 2438: Mr. ACKERMAN.
H.R. 2464: Mr. UDALL of New Mexico, Mr. ALLEN, Mr. CARNEY, and Mr. WEINER.
H.R. 2470: Mrs. CHRISTENSEN, Mr. SIRES, and Mr. UDALL of Colorado.
H.R. 2508: Mr. BARROW.
H.R. 2520: Mr. HODES.
H.R. 2522: Mr. SNYDER.
H.R. 2523: Mr. WYNN.
H.R. 2526: Mr. PASCRELL.
H.R. 2606: Ms. SCHWARTZ, Mr. CARNEY, Mr. MARKEY, and Mr. KAGEN.
H.R. 2609: Mr. MURPHY of Connecticut.
H.R. 2668: Mrs. CHRISTENSEN, Mr. SIRES, Mr. ALTMIRE, Mr. YARMUTH, Ms. BERKLEY, Mr. COURTNEY, Ms. CASTOR, Mr. KENNEDY, Mr. MOORE of Kansas, and Mr. SMITH of New Jersey.
H.R. 2674: Mr. HINOJOSA, Mr. BACA, Mr. SALAZAR, Mr. GONZALEZ, Mrs. NAPOLITANO, Mr. BECERRA, Mr. GUTIERREZ, Mr. ORTIZ, Mr. RODRIGUEZ, Mr. SIRES, Mr. REYES, and Mr. HONDA.
H.R. 2695: Ms. CORRINE BROWN of Florida, Mrs. NAPOLITANO, and Mr. HOLT.
H.R. 2718: Mr. TOWNS.
H.R. 2744: Mr. LEWIS of Georgia and Mr. KUHL of New York.
H.R. 2762: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CARNEY, Mr. ARCURI, Mrs. LOWEY, Mr. KENNEDY, Mr. CRENSHAW, Mr. COBLE, Mr. WEINER, Mr. GALLEGLY, Mr. ROSS, Mr. BRALEY of Iowa, Mr. KLEIN of Florida, Mr. JACKSON of Illinois, Mr. SULLIVAN, Mr. GRIJALVA, and Mr. WEXLER.
H.R. 2820: Mr. CARNEY.
H.R. 2826: Mr. WATT.
H.R. 2833: Ms. SCHWARTZ.
H.R. 2842: Mr. COURTNEY.
H.R. 2846: Mrs. CHRISTENSEN, Mr. ALTMIRE, Mr. SIRES, Mr. SCOTT of Georgia, Mr. COURTNEY, Ms. WOOLSEY, and Ms. CASTOR.
H.R. 2880: Mr. PORTER and Mr. MCCOTTER.
H.R. 2894: Mr. MITCHELL and Mr. PETERSON of Minnesota.
H.R. 2897: Mr. JACKSON of Illinois.
H.R. 2910: Mr. DELAHUNT.
H.R. 2915: Mr. SPRATT and Mr. COURTNEY.
H.R. 2933: Mr. GILCHREST.
H.R. 2946: Mrs. CHRISTENSEN, Mr. HONDA, and Mr. SIRES.
H.R. 2994: Mr. RUSH, Mr. KILDEE, Mr. DEAL of Georgia, and Mr. BUTTERFIELD.
H.R. 3010: Ms. SCHWARTZ, Mr. BOSWELL, and Mr. SPACE.
H.R. 3057: Mr. OLVER.
H.R. 3103: Mr. CALVERT.
H.R. 3107: Mr. ROSS.
H.R. 3109: Mr. JORDAN.
H.R. 3130: Mr. CARNEY.
H.R. 3133: Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 3136: Mrs. LOWEY.
H.R. 3175: Mr. AL GREEN of Texas.
H.R. 3196: Mr. KING of New York, Mr. KUHL of New York, and Mr. WEINER.
H.R. 3209: Mr. SESTAK.
H.R. 3212: Mr. PASTOR.
H.R. 3251: Mrs. CAPPS.
H.R. 3257: Mr. NEAL of Massachusetts.
H.R. 3282: Mr. KLEIN of Florida and Mr. KILDEE.

H.R. 3298: Mr. HOLDEN.
H.R. 3331: Mr. HONDA.
H.R. 3337: Mr. COHEN.
H.R. 3347: Mrs. CHRISTENSEN, Mr. GEORGE MILLER of California, and Mr. WYNN.
H.R. 3359: Mr. LARSON of Connecticut, Ms. FOXX, Mr. JORDAN, and Mr. FEENEY.
H.R. 3360: Mr. HALL of New York.
H.R. 3368: Mr. DICKS and Mr. WYNN.
H.R. 3372: Mr. INSLEE and Mr. JEFFERSON.
H.R. 3393: Ms. GIFFORDS, Mr. PETERSON of Minnesota, Mr. LEWIS of Georgia, and Mr. MCGOVERN.
H.R. 3396: Mr. ABERCROMBIE.
H.R. 3450: Ms. SCHAKOWSKY.
H.R. 3464: Mrs. CHRISTENSEN, Mr. FILNER, and Mr. CLAY.
H.R. 3496: Mr. BARROW.
H.R. 3531: Mr. GARY G. MILLER of California and Mr. WAMP.
H.R. 3533: Ms. WATSON, Mr. ROTHMAN, Mr. DELAHUNT, Mr. FRANK of Massachusetts, Mr. CARNEY, and Ms. CASTOR.
H.R. 3548: Mr. TOWNS.
H.R. 3616: Mrs. CAPITO.
H.R. 3635: Mr. HASTINGS of Florida.
H.R. 3636: Mr. KUCINICH, Mr. NADLER, Mr. HINCHEY, and Ms. LORETTA SANCHEZ of California.
H.R. 3637: Mr. AL GREEN of Texas.
H.R. 3646: Mr. GORDON.
H.R. 3654: Mrs. BOYDA of Kansas, Mr. LATHAM, Mr. BAIRD, Mr. PRICE of Georgia, and Mr. TOM DAVIS of Virginia.
H.R. 3660: Mr. BRALEY of Iowa and Ms. ZOE LOFGREN of California.
H.R. 3684: Mr. HIGGINS.
H.R. 3689: Mr. ENGEL and Mr. MCCAUL of Texas.
H.R. 3697: Mr. GENE GREEN of Texas.
H.R. 3700: Mr. JACKSON of Illinois and Mr. BRALEY of Iowa.
H.R. 3718: Mr. WILSON of Ohio.
H.R. 3738: Mr. STEARNS.
H.R. 3749: Mr. CARNEY.
H.R. 3750: Mr. ROTHMAN and Mr. JONES of North Carolina.
H.R. 3781: Mr. POMEROY.
H.R. 3793: Mr. HAYES, Mr. BARTON of Texas, Mr. SIRES, Mr. MILLER of North Carolina, Mr. WELDON of Florida, Mr. WEXLER, Ms. CASTOR, Mr. KINGSTON, Mr. ACKERMAN, Mr. REYES, Ms. LORETTA SANCHEZ of California, Mr. ORTIZ, Mr. GRIJALVA, Mr. MCINTYRE, Mr. LANGEVIN, Mr. COHEN, Mr. CAPUANO, Mr. FRANK of Massachusetts, Ms. ZOE LOFGREN of California, Mr. MCNERNEY, Mr. POMEROY, Ms. HARMAN, Mr. DEFAZIO, Mr. ENGEL, Mr. HOLT, Mr. KLEIN of Florida, Mr. GENE GREEN of Texas, Mr. LARSON of Connecticut, Mr. RAHALL, Mr. MAHONEY of Florida, Mr. CUMMINGS, Mr. ISRAEL, Mr. MCNULTY, Mrs. MCCARTHY of New York, Mr. PERLMUTTER, Mr. WATT, Mr. PICKERING, Mr. NEAL of Massachusetts, Ms. ROYBAL-ALLARD, Mr. MEEKS of New York, Mr. PASTOR, Mr. INSLEE, Mr. VAN HOLLEN, Mr. BUTTERFIELD, Mr. DOGGETT, Mr. TANNER, Mr. MARSHALL, Mrs. MALONEY of New York, Mr. JACKSON of Illinois, Mr. ABERCROMBIE, Mr. BISHOP of Georgia, Mr. WELCH of Vermont, Mr. SCOTT of Virginia, Mr. BISHOP of New York, Mr. VISCLOSKY, Mr. DAVIS of Kentucky, Mr. AL GREEN of Texas, Mr. ROTHMAN, Mr. PRICE of North Carolina, Mr. BERMAN, Mr. GUTIERREZ, Mr. DICKS, Mr. CARDOZA, Mr. EDWARDS, Mr. RUSH, Ms. BALDWIN, Mr. DAVIS of Illinois, Mrs. CAPITO, Mr. BOSWELL, Mr. DINGELL, Mr. WILSON of Ohio, Mr. HASTINGS of Florida, Mr. RYAN of Ohio, Mr. CLEAVER, Mr. ARCURI, Mr. NADLER, Mr. WYNN, Mr. HODES, Mr. LIPINSKI, Mr. COSTA, Mr. EMANUEL, Mr. CUELLAR, Mr. LANTOS, Mr. HONDA, Mr. WEINER, Mr. BACA, Ms. BEAN, Mr. RODRIGUEZ, Mrs. CAPPS, Mr. WAXMAN, Mr. DELAHUNT, Mrs. LOWEY, and Mr. TOM DAVIS of Virginia.
H.R. 3797: Mr. BRADY of Pennsylvania, Mr. WELCH of Vermont, Mr. FARR, Mr. YOUNG of Alaska, and Ms. CASTOR.
H.R. 3800: Ms. LORETTA SANCHEZ of California.
H.R. 3807: Mr. ETHERIDGE.
H.R. 3817: Mr. REHBERG.
H.R. 3818: Mr. COBLE and Mr. JONES of North Carolina.
H.R. 3825: Mr. SHAYS, Mr. ENGEL, Mr. GENE GREEN of Texas, Mrs. TAUSCHER, Mr. ALLEN, Mr. GRIJALVA, Mr. GONZALEZ, Ms. HERSETH SANDLIN, Mr. SIRES, Mr. BOUCHER, Mrs. CAPPS, Mr. BACA, Mrs. NAPOLITANO, Mr. ORTIZ, Mr. SALAZAR, Mr. LAMPSON, Ms. SOLIS, Ms. VELÁZQUEZ, Mr. RODRIGUEZ, Mr. CARDOZA, Mr. BECERRA, Mr. STARK, Ms. LORETTA SANCHEZ of California, Mr. CUELLAR, Mr. GUTIERREZ, Mr. SERRANO, Ms. LINDA T. SÁNCHEZ of California, Ms. DELAURO, Mrs. LOWEY, Ms. LEE, Mr. JACKSON of Illinois, Mr. KENNEDY, Mr. HONDA, Mr. RYAN of Ohio, Ms. WASSERMAN SCHULTZ, Ms. BERKLEY, and Ms. RICHARDSON.
H.R. 3834: Mr. RYAN of Ohio.
H.R. 3835: Mr. WELCH of Vermont and Mr. KUCINICH.
H.R. 3836: Ms. RICHARDSON and Mr. UDALL of Colorado.
H.R. 3861: Mr. GERLACH, Mr. SESSIONS, and Mr. CUMMINGS.
H.R. 3865: Mr. GONZALEZ, Ms. CLARKE, Mr. ALTMIRE, Mr. RYAN of Ohio, Ms. ZOE LOFGREN of California, Mr. SIRES, Mr. REYNOLDS, and Mr. HODES.
H.R. 3870: Mr. ELLISON.
H.R. 3874: Mr. MOORE of Kansas.
H.R. 3886: Mr. MCNULTY.
H.R. 3887: Mr. BACHUS, Mr. RAMSTAD, Mr. BILIRAKIS, Mr. FORTUÑO, and Ms. CLARKE.
H.R. 3890: Ms. ESHOO, Mr. DEFAZIO, Mr. WELCH of Vermont, Mr. SOUDER, and Mr. KENNEDY.
H.R. 3903: Mr. DONNELLY.
H.R. 3916: Mr. MITCHELL and Ms. GIFFORDS.
H.R. 3932: Mr. PRICE of North Carolina, Mr. KILDEE, and Mr. CLAY.
H.R. 3934: Mrs. TAUSCHER and Mr. ROTHMAN.
H.R. 3947: Mr. WU, Mr. BAIRD, and Mr. BRALEY of Iowa.
H.R. 3951: Ms. ROYBAL-ALLARD.
H.R. 3958: Mr. PENCE.
H.R. 3966: Mr. HONDA.
H.R. 3968: Mr. BOUCHER.
H.R. 3981: Ms. PRYCE of Ohio and Mr. REYNOLDS.
H.R. 3995: Mr. SHAYS.
H.R. 4001: Mr. LEWIS of Kentucky.
H.R. 4008: Mr. COHEN and Ms. CASTOR.
H.R. 4014: Mr. GENE GREEN of Texas.
H.R. 4015: Mr. GENE GREEN of Texas.
H.R. 4016: Mr. GENE GREEN of Texas.
H.R. 4029: Mr. ALLEN.
H.R. 4040: Mr. WALSH of New York, Mr. DEFAZIO, Mr. MCNULTY, Mr. HASTINGS of Florida, Mr. WILSON of Ohio, Ms. GIFFORDS, Ms. CASTOR, Ms. LEE, and Mr. LANGEVIN.
H.R. 4053: Mr. WILSON of Ohio.
H.R. 4063: Ms. WOOLSEY.
H.R. 4067: Mr. SARBANES.
H.R. 4078: Mrs. EMERSON.
H.R. 4088: Mrs. MUSGRAVE, Mr. BILIRAKIS, Mr. MORAN of Kansas, Mr. GOHMERT, Mr. BURGESS, Mr. WHITFIELD, and Mr. GILCHREST.
H.R. 4096: Mr. CAMPBELL of California.
H.R. 4100: Mr. KIRK.
H.R. 4105: Ms. MATSUI, Mr. FARR, and Mr. ELLISON.
H.R. 4114: Mr. COURTNEY and Mr. CASTLE.
H.R. 4119: Mr. ROHRABACHER.
H.R. 4130: Mrs. BLACKBURN.
H.R. 4132: Mr. PAUL and Mr. CANTOR.
H.R. 4149: Mrs. MYRICK.
H.R. 4155: Mr. MCINTYRE.
H.R. 4160: Mr. GERLACH, Ms. GINNY BROWN-WAITE of Florida, Mr. CARTER, Mr. FORTENBERRY, Mr. GILCHREST, and Mr. UPTON.
H.R. 4165: Mr. FEENEY.
H.R. 4171: Mr. ADERHOLT, Mr. TIAHRT, Mr. CALVERT, Mr. MCCOTTER, Mr. LAMBORN, and Mr. ISSA.
H.R. 4174: Mrs. CAPPS.
H.R. 4176: Mr. CARTER, Mr. GILCHREST, Mr. BUCHANAN, Mr. SMITH of New Jersey, Mr. BARTLETT of Maryland, Mr. BARROW, and Mr. UPTON.
H.J. Res. 54: Mr. REYNOLDS, Mr. SMITH of Texas, and Mrs. DRAKE.
H. Con. Res. 81: Mr. KING of New York, Mr. MURTHA, and Mr. ROTHMAN.
H. Con. Res. 204: Mr. Gary G. Miller of California.
H. Con. Res. 214: Ms. WATERS, Mr. DAVIS of Illinois, and Mr. PAYNE.
H. Con. Res. 237: Mr. MCCOTTER.
H. Con. Res. 239: Mr. WILSON of Ohio, Mr. GARY G. MILLER of California, Mr. CALVERT, and Mr. WOLF.
H. Con. Res. 244: Mr. WILSON of Ohio, Mr. BARROW, Mr. REHBERG, Mr. BRALEY of Iowa, Mr. CAMPBELL of California, Mr. FRANKS of Arizona, Mrs. MCMORRIS RODGERS, and Mr. TIAHRT.
H. Con. Res. 256: Mr. MCCOTTER.
H. Res. 102: Mr. TANCREDO.
H. Res. 111: Mr. MCHUGH, Mr. KANJORSKI, Mrs. MYRICK, Mr. PRICE of North Carolina, Ms. ROYBAL-ALLARD, Mr. BROUN of Georgia, Mr. SENSENBRENNER, and Mr. ETHERIDGE.
H. Res. 148: Mr. PASCRELL.
H. Res. 175: Mr. CARNEY.
H. Res. 356: Mr. ROTHMAN, Mr. CARTER, Mr. MARKEY, and Mr. GINGREY.
H. Res. 457: Mr. KIRK.
H. Res. 556: Mr. SOUDER.
H. Res. 661: Ms. RICHARDSON and Mr. BOOZMAN.
H. Res. 690: Mr. WOLF and Mr. FOSSELLA.
H. Res. 705: Mr. CALVERT.
H. Res. 743: Mr. HIGGINS.
H. Res. 748: Mr. MCCARTHY of California.
H. Res. 783: Mr. WHITFIELD.
H. Res. 785: Ms. ROYBAL-ALLARD.
H. Res. 786: Mr. FORBES.
H. Res. 796: Mr. SHAYS.
H. Res. 800: Mr. BROWN of South Carolina, Mr. FORBES, Mr. CALVERT, Mr. MCKEON, Mr. TERRY, Mr. LAMBORN, Mr. ADERHOLT, Mrs. BLACKBURN, Mr. STEARNS, Mr. JORDAN, Mr. PLATTS, Mr. WAMP, Mr. GILCHREST, and Mr. UPTON.
H. Res. 814: Mr. BLUMENAUER.
H. Res. 815: Mr. PETERSON of Minnesota, Mr. DAVIS of Illinois, Mr. SHULER, Mr. VISCLOSKY, Mr. LINDER, and Mr. BOUCHER.
H. Res. 819: Ms. BALDWIN and Mr. ARCURI.
H. Res. 821: Mr. BILIRAKIS and Mr. WOLF.
H. Res. 826: Mr. LANTOS.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

186. The SPEAKER presented a petition of the Coral Springs/Parkland Democratice Club, Florida, relative to a Resolution expressing dissatisfaction with the continued funding or continued presence in Iraq beyond the safe withdrawal of troops; to the Committee on Armed Services.

187. Also, a petition of the Miami-Dade County Board of County Commissioners, Florida, relative to Resolution No. R-1110-07 urging the Legislature of the State of Florida, the Florida Office of Insurance Regulation, and the Citizens Property Insurance Corporation to develop and implement a system for providing homeowners discounts on their property insurance if they install carbon monoxide detectors; to the Committee on Financial Services.

188. Also, a petition of the Martin Luther King, Jr. County Labor Council, Washington, relative to a Resolution opposing the reauthorization proposal for the No Child Left Behind Act (NCLB); to the Committee on Education and Labor.

189. Also, a petition of Po Kee Wong, a citizen of Silver Spring, Maryland, relative to petitioning the Congress of the United States for an appeal for redress; to the Committee on the Judiciary.

190. Also, a petition of Ms. Victoria Lin, a citizen of San Mateo, California, relative to petitioning the Congress of the United States for an appeal for redress; to the Committee on the Judiciary.

191. Also, a petition of the Council of the District of Columbia, relative to Council Resolution No. 17-378, the ''Sense of the Council Urging the Federal Government to Adopt a Sensible Immigration Policy Emergency Resolution of 2007''; to the Committee on the Judiciary.

192. Also, a petition of the League of United Latin American Citizens, Texas, relative to a Resolution pertaining to the need for humanitarian assistance for Ramiro ''Ramsey'' Muniz; to the Committee on the Judiciary.

193. Also, a petition of the County of Los Angeles Department of Mental Health, California, relative to a Resolution commenting on the Proposed Medicaid Medicare Rehabilitation Rule Changes; jointly to the Committees on Energy and Commerce and Ways and Means.

194. Also, a petition of the City Commission of the City of Parkland, Florida, relative to Resolution No. 2007-97 supporting Senate Bill 1115, the ''Energy Efficiency Promotion Act''; jointly to the Committees on Education and Labor, Energy and Commerce, and Oversight and Government Reform.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 4. November 15, 2007, by Mr. ROBERT B. ADERHOLT on House Resolution 748, was signed by the following Members: Robert B. Aderholt, Joe Barton, Louie Gohmert, and Michael C. Burgess.