

## HOUSE PROPOSED AMENDMENT TO TITLE XIV

Page 1782, line 23, strike “1 property in any 36-month period” and insert “3 properties in any 12-month period”.

Page 1812, strike line 7 and all that follows through page 1813, line 9, and insert the following:

1                   “(ii) LOAN DEFINITION.—The fol-  
2                   lowing agencies shall, in consultation with  
3                   the Board, prescribe rules defining the  
4                   types of loans they insure, guarantee or  
5                   administer, as the case may be, that are  
6                   qualified mortgages for purposes of sub-  
7                   section (c)(2)(A), and such rules may re-  
8                   vise, add to, or subtract from the criteria  
9                   used to define a qualified mortgage under  
10                  subsection (c)(2)(A), upon a finding that  
11                  such rules are consistent with the purposes  
12                  of this section and section 129B, to pre-  
13                  vent circumvention or evasion thereof, or  
14                  to facilitate compliance with such sec-  
15                  tions—

1                   “(I) The Department of Housing  
2                   and Urban Development, with regard  
3                   to mortgages insured under the Na-  
4                   tional Housing Act (12 U.S.C. 1707  
5                   et seq.);

6                   “(II) The Secretary of Veterans  
7                   Affairs, with regard to a loan made or  
8                   guaranteed by the Secretary of Vet-  
9                   erans Affairs;

10                  “(III) The Secretary of Agri-  
11                  culture, with regard loans guaranteed  
12                  by the Secretary of Agriculture pursu-  
13                  ant to 42 U.S.C. 1472(h); and

14                  “(IV) The Rural Housing Serv-  
15                  ice, with regard to loans insured by  
16                  the Rural Housing Service.”.

Page 1921, after line 11, insert the following new subsections (and redesignate subsequent subsections accordingly):

17                  “(g) INTERIM FINAL REGULATIONS.—The Board  
18                  shall, for purposes of this section, prescribe interim final  
19                  regulations no later than 60 days after the date of enact-  
20                  ment of this section defining with specificity acts or prac-  
21                  tices that violate appraisal independence in the provision  
22                  of mortgage lending services for a consumer credit trans-

1 action secured by the principal dwelling of the consumer  
2 or mortgage brokerage services for such a transaction and  
3 defining any terms in this section or such regulations.

4 “(h) LIMITATIONS.—Nothing in this section shall  
5 prohibit mortgage lenders, the Federal National Mortgage  
6 Association, or the Federal Home Loan Mortgage Cor-  
7 poration from accepting any appraisal report completed by  
8 an appraiser selected, retained, or compensated by a mort-  
9 gage loan originator licensed or registered in accordance  
10 with section 1501 et seq. of the SAFE Mortgage Licensing  
11 Act of 2008, so long as such mortgage loan originator cer-  
12 tifies adherence to the appraisal independence require-  
13 ments of subsection (b) and any regulations prescribed  
14 thereunder.

15 “(i) CUSTOMARY AND REASONABLE FEE.—

16 “(1) IN GENERAL.—Lenders and their agents  
17 shall compensate fee appraisers at a rate that is cus-  
18 tomary and reasonable for appraisal services per-  
19 formed in the market area of the property being ap-  
20 praised. Evidence for such fees may be established  
21 by objective third-party information, such as govern-  
22 ment agency fee schedules, academic studies, and  
23 independent private sector surveys. Fee studies shall  
24 exclude assignments ordered by known appraisal  
25 management companies.

1           “(2) FEE APPRAISER DEFINITION.—For pur-  
2           poses of this section, the term ‘fee appraiser’ means  
3           a person who is not an employee of the mortgage  
4           loan originator or appraisal management company  
5           engaging the appraiser and is—

6                   “(A) a State licensed or certified appraiser  
7                   who receives a fee for performing an appraisal  
8                   and certifies that the appraisal has been pre-  
9                   pared in accordance with the Uniform Stand-  
10                  ards of Professional Appraisal Practice; or

11                  “(B) a company not subject to the require-  
12                  ments of section 1124 of the Financial Institu-  
13                  tions Reform, Recovery, and Enforcement Act  
14                  of 1989 (12 U.S.C. 3331 et seq.) that utilizes  
15                  the services of State licensed or certified ap-  
16                  praisers and receives a fee for performing ap-  
17                  praisals in accordance with the Uniform Stand-  
18                  ards of Professional Appraisal Practice.

19           “(3) EXCEPTION FOR COMPLEX ASSIGN-  
20           MENTS.—In the case of an appraisal involving a  
21           complex assignment, the customary and reasonable  
22           fee may reflect the increased time, difficulty, and  
23           scope of the work required for such an appraisal and  
24           include an amount over and above the customary  
25           and reasonable fee for non-complex assignments.

1       “(j) SUNSET.—Effective on the date the interim final  
2 regulations are promulgated pursuant to subsection (g),  
3 the Home Valuation Code of Conduct announced by the  
4 Federal Housing Finance Agency on December 23, 2008,  
5 shall have no force or effect.”.

Page 1922, line 8, strike “and (f)” and insert “(f),  
(h), and (i)”.

Page 1967, after line 2, insert the following new sections:

6 **SEC. 1495. EMERGENCY MORTGAGE RELIEF.**

7       (a) USE OF TARP FUNDS.—Using the authority  
8 available under sections 101(a) and 115(a) of division A  
9 of the Emergency Economic Stabilization Act of 2008 (12  
10 U.S.C. 5211(a), 5225(a)), the Secretary of the Treasury  
11 shall transfer to the Secretary of Housing and Urban De-  
12 velopment \$3,000,000,000, and the Secretary of Housing  
13 and Urban Development shall credit such amount to the  
14 Emergency Homeowners’ Relief Fund, which such Sec-  
15 retary shall establish pursuant to section 107 of the Emer-  
16 gency Housing Act of 1975 (12 U.S.C. 2706), as such  
17 Act is amended by this section, for use for emergency  
18 mortgage assistance in accordance with title I of such Act.

1 (b) REAUTHORIZATION OF EMERGENCY MORTGAGE  
2 RELIEF PROGRAM.—Title I of the Emergency Housing  
3 Act of 1975 is amended—

4 (1) in section 103 (12 U.S.C. 2702)—

5 (A) in paragraph (2)—

6 (i) by striking “have indicated” and  
7 all that follows through “regulation of the  
8 holder” and insert “have certified”;

9 (ii) by striking “(such as the volume  
10 of delinquent loans in its portfolio)”; and

11 (iii) by striking “, except that such  
12 statement” and all that follows through  
13 “purposes of this title”; and

14 (B) in paragraph (4), by inserting “or  
15 medical conditions” after “adverse economic  
16 conditions”;

17 (2) in section 104 (12 U.S.C. 2703)—

18 (A) in subsection (b), by striking “, but  
19 such assistance” and all that follows through  
20 the period at the end and inserting the fol-  
21 lowing: “. The amount of assistance provided to  
22 a homeowner under this title shall be an  
23 amount that the Secretary determines is rea-  
24 sonably necessary to supplement such amount  
25 as the homeowner is capable of contributing to-

1           ward such mortgage payment, except that the  
2           aggregate amount of such assistance provided  
3           for any homeowner shall not exceed \$50,000.”;

4           (B) in subsection (d), by striking “interest  
5           on a loan or advance” and all that follows  
6           through the end of the subsection and inserting  
7           the following: “(1) the rate of interest on any  
8           loan or advance of credit insured under this  
9           title shall be fixed for the life of the loan or ad-  
10          vance of credit and shall not exceed the rate of  
11          interest that is generally charged for mortgages  
12          on single-family housing insured by the Sec-  
13          retary of Housing and Urban Development  
14          under title II of the National Housing Act at  
15          the time such loan or advance of credit is made,  
16          and (2) no interest shall be charged on interest  
17          which is deferred on a loan or advance of credit  
18          made under this title. In establishing rates,  
19          terms and conditions for loans or advances of  
20          credit made under this title, the Secretary shall  
21          take into account a homeowner’s ability to  
22          repay such loan or advance of credit.”; and

23          (C) in subsection (e), by inserting after the  
24          period at the end of the first sentence the fol-  
25          lowing: “Any eligible homeowner who receives a

1 grant or an advance of credit under this title  
2 may repay the loan in full, without penalty, by  
3 lump sum or by installment payments at any  
4 time before the loan becomes due and pay-  
5 able.”;

6 (3) in section 105 (12 U.S.C. 2704)—

7 (A) by striking subsection (b);

8 (B) in subsection (e)—

9 (i) by inserting “and emergency mort-  
10 gage relief payments made under section  
11 106” after “insured under this section”;  
12 and

13 (ii) by striking “\$1,500,000,000 at  
14 any one time” and inserting  
15 “\$3,000,000,000”;

16 (C) by redesignating subsections (c), (d),  
17 and (e) as subsections (b), (c), and (d), respec-  
18 tively; and

19 (D) by adding at the end the following new  
20 subsection:

21 “(e) The Secretary shall establish underwriting  
22 guidelines or procedures to allocate amounts made avail-  
23 able for loans and advances insured under this section and  
24 for emergency relief payments made under section 106  
25 based on the likelihood that a mortgagor will be able to



1 resume mortgage payments, pursuant to the requirement  
2 under section 103(5).”;

3 (4) in section 107—

4 (A) by striking “(a)”; and

5 (B) by striking subsection (b);

6 (5) in section 108 (12 U.S.C. 2707), by adding  
7 at the end the following new subsection:

8 “(d) COVERAGE OF EXISTING PROGRAMS.—The Sec-  
9 retary shall allow funds to be administered by a State that  
10 has an existing program that is determined by the Sec-  
11 retary to provide substantially similar assistance to home-  
12 owners. After such determination is made such State shall  
13 not be required to modify such program to comply with  
14 the provisions of this title.”;

15 (6) in section 109 (12 U.S.C. 2708)—

16 (A) in the section heading, by striking  
17 “AUTHORIZATION AND”;

18 (B) by striking subsection (a);

19 (C) by striking “(b)”; and

20 (D) by striking “1977” and inserting  
21 “2011”;

22 (7) by striking sections 110, 111, and 113 (12  
23 U.S.C. 2709, 2710, 2712); and

24 (8) by redesignating section 112 (12 U.S.C.  
25 2711) as section 110.

1 **SEC. 1496. ADDITIONAL ASSISTANCE FOR NEIGHBORHOOD**  
2 **STABILIZATION PROGRAM.**

3 Using the authority made available under sections  
4 101(a) and 115(a) of division A of the Emergency Eco-  
5 nomic Stabilization Act of 2008 (12 U.S.C. 5211(a),  
6 5225(a)), the Secretary of the Treasury shall transfer to  
7 the Secretary of Housing and Urban Development  
8 \$1,000,000,000, and the Secretary of Housing and Urban  
9 Development shall use such amounts for assistance to  
10 States and units of general local government for the rede-  
11 velopment of abandoned and foreclosed homes, in accord-  
12 ance with the same provisions applicable under the second  
13 undesignated paragraph under the heading “Community  
14 Planning and Development—Community Development  
15 Fund” in title XII of division A of the American Recovery  
16 and Reinvestment Act of 2009 (Public Law 111–5; 123  
17 Stat. 217) to amounts made available under such second  
18 undesignated paragraph, except as follows:

19 (1) Notwithstanding the matter of such second  
20 undesignated paragraph that precedes the first pro-  
21 viso, amounts made available by this section shall re-  
22 main available until expended.

23 (2) The 3rd, 4th, 5th, 6th, 7th, and 15th pro-  
24 visos of such second undesignated paragraph shall  
25 not apply to amounts made available by this section.

1           (3) Amounts made available by this section  
2 shall be allocated based on a funding formula for  
3 such amounts established by the Secretary in ac-  
4 cordance with section 2301(b) of the Housing and  
5 Economic Recovery Act of 2008 (42 U.S.C. 5301  
6 note), except that—

7           (A) notwithstanding paragraph (2) of such  
8 section 2301(b), the formula shall be estab-  
9 lished not later than 30 days after the date of  
10 the enactment of this Act;

11           (B) the Secretary may not establish any  
12 minimum grant amount or size for grants to  
13 States;

14           (C) the Secretary may establish a min-  
15 imum grant amount for direct allocations to  
16 units of general local government located within  
17 a State, which shall not exceed \$1,000,000; and

18           (D) each State and local government re-  
19 ceiving grant amounts shall establish proce-  
20 dures to create preferences for the development  
21 of affordable rental housing for properties as-  
22 sisted with amounts made available by this sec-  
23 tion.

1           (4) Paragraph (1) of section 2301(c) of the  
2           Housing and Economic Recovery Act of 2008 shall  
3           not apply to amounts made available by this section.

4           (5) Section 2302 of the Housing and Economic  
5           Recovery Act of 2008 shall not apply to amounts  
6           made available by this section.

7           (6) The fourth proviso from the end of such  
8           second undesignated paragraph shall be applied to  
9           amounts made available by this section by sub-  
10          stituting “2013” for “2012”.

11          (7) Notwithstanding section 2301(a) of the  
12          Housing and Economic Recovery Act of 2008, the  
13          term “State” means any State of the United States,  
14          the District of Columbia, the Commonwealth of  
15          Puerto Rico, the Commonwealth of the Northern  
16          Mariana Islands, Guam, the Virgin Islands, Amer-  
17          ican Samoa, and other territory or possession of the  
18          United States for purposes of this section and title  
19          III of division B of such Act, as applied to amounts  
20          made available by this section.

21          (8)(A) None of the amounts made available by  
22          this section shall be distributed to—

23                  (i) any organization which has been con-  
24                  victed for a violation under Federal law relating  
25                  to an election for Federal office; or

1           (ii) any organization which employs appli-  
2           cable individuals.

3           (B) In this paragraph, the term “applicable in-  
4           dividual” means an individual who—

5           (i) is—

6                   (I) employed by the organization in a  
7                   permanent or temporary capacity;

8                   (II) contracted or retained by the or-  
9                   ganization; or

10                   (III) acting on behalf of, or with the  
11                   express or apparent authority of, the orga-  
12                   nization; and

13           (ii) has been convicted for a violation  
14           under Federal law relating to an election for  
15           Federal office.

16 **SEC. 1497. LEGAL ASSISTANCE FOR FORECLOSURE-RE-**  
17 **LATED ISSUES.**

18           (a) **ESTABLISHMENT.**—The Secretary of Housing  
19 and Urban Development (hereafter in this section referred  
20 to as the “Secretary”) shall establish a program for mak-  
21 ing grants for providing a full range of foreclosure legal  
22 assistance to low- and moderate-income homeowners and  
23 tenants related to home ownership preservation, home  
24 foreclosure prevention, and tenancy associated with home  
25 foreclosure.

1 (b) COMPETITIVE ALLOCATION.—The Secretary shall  
2 allocate amounts made available for grants under this sec-  
3 tion to State and local legal organizations on the basis  
4 of a competitive process. For purposes of this subsection  
5 “State and local legal organizations” are those State and  
6 local organizations whose primary business or mission is  
7 to provide legal assistance.

8 (c) PRIORITY TO CERTAIN AREAS.—In allocating  
9 amounts in accordance with subsection (b), the Secretary  
10 shall give priority consideration to State and local legal  
11 organizations that are operating in the 100 metropolitan  
12 statistical areas (as that term is defined by the Director  
13 of the Office of Management and Budget) with the highest  
14 home foreclosure rates.

15 (d) LEGAL ASSISTANCE.—

16 (1) IN GENERAL.—Any State or local legal or-  
17 ganization that receives financial assistance pursu-  
18 ant to this section may use such amounts only to as-  
19 sist—

20 (A) homeowners of owner-occupied homes  
21 with mortgages in default, in danger of default,  
22 or subject to or at risk of foreclosure; and

23 (B) tenants at risk of or subject to eviction  
24 as a result of foreclosure of the property in  
25 which such tenant resides.

1           (2) COMMENCE USE WITHIN 90 DAYS.—Any  
2           State or local legal organization that receives finan-  
3           cial assistance pursuant to this section shall begin  
4           using any financial assistance received under this  
5           section within 90 days after receipt of the assist-  
6           ance.

7           (3) PROHIBITION ON CLASS ACTIONS.—No  
8           funds provided to a State or local legal organization  
9           under this section may be used to support any class  
10          action litigation.

11          (4) LIMITATION ON LEGAL ASSISTANCE.—Legal  
12          assistance funded with amounts provided under this  
13          section shall be limited to mortgage-related default,  
14          eviction, or foreclosure proceedings, without regard  
15          to whether such foreclosure is judicial or nonjudicial.

16          (5) EFFECTIVE DATE.—Notwithstanding any  
17          other provision of this Act, this subsection shall take  
18          effect on the date of the enactment of this Act.

19          (e) LIMITATION ON DISTRIBUTION OF ASSIST-  
20          ANCE.—

21                 (1) IN GENERAL.—None of the amounts made  
22                 available under this section shall be distributed to—

23                         (A) any organization which has been con-  
24                         victed for a violation under Federal law relating  
25                         to an election for Federal office; or

1 (B) any organization which employs appli-  
2 cable individuals.

3 (2) DEFINITION OF APPLICABLE INDIVID-  
4 UALS.—In this subsection, the term “applicable indi-  
5 vidual” means an individual who—

6 (A) is—

7 (i) employed by the organization in a  
8 permanent or temporary capacity;

9 (ii) contracted or retained by the or-  
10 ganization; or

11 (iii) acting on behalf of, or with the  
12 express or apparent authority of, the orga-  
13 nization; and

14 (B) has been convicted for a violation  
15 under Federal law relating to an election for  
16 Federal office.

17 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
18 are authorized to be appropriated to the Secretary  
19 \$35,000,000 for each of fiscal years 2011 through 2014  
20 for grants under this section.

