

AMENDMENT TO H.R. 1427
OFFERED BY MR. FRANK OF MASSACHUSETTS
[manager's amendment]

Page 8, line 16, after “regulatory” insert “and supervisory”.

Page 8, line 20, after the period insert the following: “The Director shall have the same supervisory and regulatory authority over any joint office of the Federal home loan banks, including the Office of Finance of the Federal Home Loan Banks, as the Director has over the individual Federal home loan banks.”.

Page 10, line 15, after “States,” insert “and”.

Page 11, line 20, before the period insert “and of community and economic development”.

Page 12, line 1, after “housing” insert “finance and community and economic development”.

Page 12, lines 16 and 17, strike “, by regulation, an Office” and insert “the position”.

Page 12, line 18, strike “Such regulations” and insert “The Director”.

Page 13, line 16, before the semicolon insert “and any joint office of the Federal Home Loan Banks”.

Page 25, strike lines 15 through 18 and insert the following:

1 (A) in the subsection heading, by striking
2 “SPECIAL REPORTS AND REPORTS OF FINAN-
3 CIAL CONDITION” and inserting “REGULAR
4 AND SPECIAL REPORTS”;

Page 30, line 15, strike “and”.

Page 30, line 19, strike the period, quotation marks, and semicolon and insert “; and”.

Page 30 after line 19, insert the following:

5 “(4) the wind up of the affairs of the Office of
6 Federal Housing Enterprise Oversight and the Fed-
7 eral Housing Finance Board under title III of the
8 Federal Housing Finance Reform Act of 2007.”;

Page 32, line 22, strike “assessments” and insert “payments”.

Page 33, line 1, strike “subtitle B and C” and insert “this Act”.

Page 33, line 9, strike “subtitle B or C” and insert “this Act”.

Page 35, after line 20, insert the following:

1 “(6) TREASURY INVESTMENTS.—

2 “(A) AUTHORITY.—“The Director may re-
3 quest the Secretary of the Treasury to invest
4 such portions of amount received by the Direc-
5 tor from assessments paid under this section
6 that, in the Director’s discretion, are not re-
7 quired to meet the current working needs of the
8 Agency.

9 “(B) GOVERNMENT OBLIGATIONS.—Pursu-
10 ant to a request under subparagraph (A), the
11 Secretary of the Treasury shall invest such
12 amounts in government obligations guaranteed
13 as to principal and interest by the United
14 States with maturities suitable to the needs of
15 Agency and bearing interest at a rate deter-
16 mined by the Secretary of the Treasury taking
17 into consideration current market yields on out-
18 standing marketable obligations of the United
19 States of comparable maturity.”.

Page 41, line 13, before “technology” insert “infor-
mation”.

Page 41, line 25, strike the quotation marks and the
last period.

Page 41, after line 25, insert the following:

1 “(3) RULE OF CONSTRUCTION.—The appoint-
2 ment of a candidate to a position under the author-
3 ity of this subsection shall not be considered to
4 cause such position to be converted from the com-
5 petitive service to the excepted service.”.

Page 42, strike lines 3 and 4 and insert the fol-
lowing:

6 (1) by striking the section heading and insert-
7 ing the following: “EXAMINATIONS AND GAO AU-
8 DITS”;

Page 46, line 10, strike “Acts” and insert “stat-
utes”.

Page 46, after line 14, insert the following new sec-
tion (and redesignate succeeding sections and any ref-
erences to such sections, accordingly):

9 SEC. 111. NON-WAIVER OF PRIVILEGES.

10 Part 1 of subtitle A of title XIII of the Housing and
11 Community Development Act of 1992 (12 U.S.C. 4511)
12 is amended by adding at the end the following new section:

13 “SEC. 1319H. PRIVILEGES NOT AFFECTED BY DISCLOSURE.

14 “(a) IN GENERAL.—The submission by any person
15 of any information to the Agency for any purpose in the

1 course of any supervisory or regulatory process of the
2 Agency shall not be construed as waiving, destroying, or
3 otherwise affecting any privilege such person may claim
4 with respect to such information under Federal or State
5 law as to any person or entity other than the Agency.

6 “(b) RULE OF CONSTRUCTION.—No provision of sub-
7 section (a) may be construed as implying or establishing
8 that—

9 “(1) any person waives any privilege applicable
10 to information that is submitted or transferred
11 under any circumstance to which subsection (a) does
12 not apply; or

13 “(2) any person would waive any privilege ap-
14 plicable to any information by submitting the infor-
15 mation to the Agency, but for this subsection.”.

Page 49, line 11, strike “section 1319G(b)” and in-
sert “section 1319G”.

Page 63, line 18, strike “U.S.C.” and insert
“C.F.R.”.

Strike line 13 on page 64 and all that follows
through line 12 on page 65, and insert the following:

1 **SEC. 116. LIAISON WITH FINANCIAL INSTITUTIONS EXAM-**
2 **INATION COUNCIL.**

3 Section 1007 of the Federal Financial Institutions
4 Examination Council Act of 1978 (12 U.S.C. 3306) is
5 amended—

6 (1) in the section heading, by inserting after
7 “STATE” the following: “AND FEDERAL HOUSING FI-
8 NANCE AGENCY”; and

9 (2) by inserting after “financial institutions”
10 the following: “, and one representative of the Fed-
11 eral Housing Finance Agency,”.

Page 65, lines 14 and 15, strike “Comptroller Gen-
eral of the United States” and insert “Director of the
Federal Housing Finance Agency”.

Page 65, lines 16 through 18, strike “and the Direc-
tor of the Office of Federal Housing Enterprise Over-
sight of the Department of Housing and Urban Develop-
ment”.

Page 65, line 19, strike “one year” and insert “18
months”.

Page 67, lines 11 and 12, strike “Government Ac-
counting Office” and insert “Director of the Federal
Housing Finance Agency”.

Page 68, strike lines 19 through 21 and insert the following:

- 1 (i) in the subsection heading, by strik-
2 ing “OFFICE PERSONNEL” and inserting
3 “IN GENERAL”; and

Page 68, line 23, strike “titles III and IV” and insert “title III”.

Page 69, line 6, strike “In General” and insert “IN GENERAL”.

Page 79, strike lines 12 through 15 and insert the following:

- 4 (1) GENERAL LIMIT.—Section 302(b)(2) of the
5 Federal National Mortgage Association Charter Act
6 (12 U.S.C. 1717(b)(2)) is amended—
7 (A) in the 4th sentence, by striking “the
8 Resolution Trust Corporation,”; and
9 (B) by striking the 7th and 8th sentences
10 and inserting the following

Page 81, strike lines 5 through 8 and insert the following:

- 11 (1) GENERAL LIMIT.—Section 305(a)(2) of the
12 Federal Home Loan Mortgage Corporation Act (12
13 U.S.C. 1454(a)(2)) is amended—

1 (A) in the 3rd sentence, by striking “the
2 Resolution Trust Corporation,”; and

3 (B) by striking the 6th and 7th sentences
4 and inserting the following new

Page 93, after line 15, insert the following new section:

5 **SEC. 124. ANNUAL REPORTS BY REGULATED ENTITIES ON**
6 **AFFORDABLE HOUSING STOCK.**

7 The Housing and Community Development Act of
8 1992 is amended by inserting after section 1328 (12
9 U.S.C. 4548) the following new section:

10 **“SEC. 1329. ANNUAL REPORTS ON AFFORDABLE HOUSING**
11 **STOCK.**

12 “(a) IN GENERAL.—To obtain information helpful in
13 applying the formula under section 1337(c)(2) for the af-
14 fordable housing program under such section and for
15 other appropriate uses, the regulated entities shall con-
16 duct, or provide for the conducting of, a study on an an-
17 nual basis to determine the levels of affordable housing
18 inventory, and the changes in such levels, in communities
19 throughout the United States.

20 “(b) CONTENTS.—The annual study under this sec-
21 tion shall determine, for the United States, each State,
22 and each community within each State—

1 “(1) the level of affordable housing inventory,
2 including affordable rental dwelling units and afford-
3 able homeownership dwelling units;

4 “(2) any changes to the level of such inventory
5 during the 12-month period of the study under this
6 section, including—

7 “(A) any additions to such inventory,
8 disaggregated by the category of such additions
9 (including new construction or housing conver-
10 sion);

11 “(B) any subtractions from such inventory,
12 disaggregated by the category of such subtrac-
13 tions (including abandonment, demolition, or
14 upgrade to market-rate housing);

15 “(C) the number of new affordable dwell-
16 ing units placed in service; and

17 “(D) the number of affordable housing
18 dwelling units withdrawn from service;

19 “(3) the types of financing used to build any
20 dwelling units added to such inventory level and the
21 period during which such units are required to re-
22 main affordable;

23 “(4) any excess demand for affordable housing,
24 including the number of households on rental hous-

1 ing waiting lists and the tenure of the wait on such
2 lists; and

3 “(5) such other information as the Director
4 may require.

5 “(c) REPORT.—For each annual study conducted
6 pursuant to this section, the regulated entities shall sub-
7 mit to the Congress, and make publicly available, a report
8 setting forth the findings of the study.

9 “(d) REGULATIONS AND TIMING.—The Director
10 shall, by regulation, establish requirements for the studies
11 and reports under this section, including deadlines for the
12 submission of such annual reports and standards for de-
13 termining affordable housing.”.

Strike line 8 on page 94 and all that follows through
line 12 on page 95, and insert the following:

14 “(b) ELIMINATING INTEREST RATE DISPARITIES.—

15 “(1) IN GENERAL.—Upon request by the Direc-
16 tor, an enterprise shall provide to the Director, in a
17 form determined by the Director, data the Director
18 may review to determine whether there exist dispari-
19 ties in interest rates charged on mortgages to bor-
20 rowers who are minorities as compared with com-
21 parable mortgages to borrowers of similar credit-
22 worthiness who are not minorities.

1 “(2) REMEDIAL ACTIONS UPON PRELIMINARY
2 FINDING.—Upon a preliminary finding by the Direc-
3 tor that a pattern of disparities in interest rates
4 with respect to any lender or lenders exists pursuant
5 to the data provided by an enterprise in paragraph
6 (1), the Director shall—

7 “(A) refer the preliminary finding to the
8 appropriate regulatory or enforcement agency
9 for further review;

10 “(B) require the enterprise to submit addi-
11 tional data with respect to any lender or lend-
12 ers, as appropriate and to the extent prac-
13 ticable, to the Director who shall submit any
14 such additional data to the regulatory or en-
15 forcement agency for appropriate action; and

16 “(C) require the enterprise to undertake
17 remedial actions, as appropriate, pursuant to
18 section 1325(5) (12 U.S.C. 4545(5)).

19 “(3) ANNUAL REPORT TO CONGRESS.—The Di-
20 rector shall submit to the Committee on Financial
21 Services of the House of Representatives and the
22 Committee on Banking, Housing, and Urban Affairs
23 of the Senate a report describing the actions taken,
24 and being taken, by the Director to carry out this
25 subsection. No such report shall identify any lender

1 or lenders who have not been found to have engaged
2 in discriminatory lending practices pursuant to a
3 final adjudication on the record, and after oppor-
4 tunity for an administrative hearing, in accordance
5 with subchapter II of chapter 5 of title 5, United
6 States Code.

7 “(4) PROTECTION OF IDENTITY OF INDIVID-
8 UALS.—In carrying out this subsection, the Director
9 shall ensure that no property-related or financial in-
10 formation that would enable a borrower to be identi-
11 fied shall be made public.”.

Page 102, line 19, after “if” insert “such bonds”.

Page 102, line 20, strike “such bonds”.

Page 110, line 18, strike “and”.

Page 110, after line 18, insert the following:

12 “(vi) the programs under title IV of
13 the McKinney-Vento Homeless Assistance
14 Act (42 U.S.C. 11361 et seq.), but only
15 permanent supportive housing projects
16 subsidized under such programs; and”.

Page 113, line 2, strike “section 1335A” and insert
“section 1335(a)”.

Page 114, strike lines 1 and 2 and insert the following:

- 1 (A) in the subsection heading, by inserting
- 2 “PRELIMINARY” before “DETERMINATION”.

Page 126, line 13, strike the comma.

Page 127, strike “clause (i)” each place such term appears in lines 4, and 9 and 10, and insert “subclause (I)”.

Page 128, line 6, strike “and”.

Page 128, line 7, strike the period and insert “; and”.

Page 128, after line 7, insert the following:

- 3 “(C) includes performance goals, bench-
- 4 marks, and timetables for the grantee for the
- 5 production, preservation, and rehabilitation of
- 6 affordable rental and homeownership housing
- 7 with such grant amounts that comply with the
- 8 requirements established by the Director pursu-
- 9 ant to subsection (m)(2)(F).”.

Page 131, line 11, insert a dash after “that”.

Page 140, lines 11 and 12, strike “principle” and insert “principal”.

Page 140, after line 17, insert the following:

1 “(5) VERY-LOW INCOME FAMILY.—The term
2 ‘very low-income family’ has the meaning given such
3 term in section 1303, except that such term includes
4 any family that resides in a rural area that has an
5 income that does not exceed the poverty line (as
6 such term is defined in section 673(2) of the Omni-
7 bus Budget Reconciliation Act of 1981 (42 U.S.C.
8 9902(2)), including any revision required by such
9 section) applicable to a family of the size involved.”.

Page 142, line 12, strike “and”.

Page 142, line 19, strike the period and insert “;
and”.

Page 142, after line 19, insert the following:

10 “(F) requirements and standards for es-
11 tablishment, by grantees (including the grantees
12 for 2007 pursuant to subsection (l)(2)(A)), of
13 performance goals, benchmarks, and timetables
14 for the production, preservation, and rehabilita-
15 tion of affordable rental and homeownership
16 housing with affordable housing fund grant
17 amounts.”.

Page 143, lines 9 and 10, strike “paragraphs (1)(B) and (2) of section 1337(c)” and insert “section 1337(c)(2)”.

Page 151, strike lines 19 and 20 and insert the following:

1 (1) in the heading for subsection (a), by strik-
2 ing “IN GENERAL” and inserting “ENTERPRISES”.

Page 158, line 19, before “**ENTITIES**” insert “**REG-
ULATED**”.

Page 158, strike lines 23 through 25 and insert the following:

3 (A) in the subsection heading, by striking
4 “DISCRETIONARY SUPERVISORY ACTIONS” and
5 inserting “SPECIFIC ACTIONS”.

Page 170, line 2, before the period insert the following: “, including, if two or more Federal home loan banks have been placed in conservatorship contemporaneously, merging two or more such banks into a single Federal home loan bank” .

Page 177, lines 24 and 25, strike “effect” and insert “affect”.

Page 245, line 9, strike “AFFECT” and insert “EFFECT”.

Page 249, strike lines 8 through 13 and insert the following:

1 (2) FEDERAL HOME LOAN BANKS.—Section 25
2 of the Federal Home Loan Bank Act (12 U.S.C.
3 1445) is amended to read as follows:

4 **“SEC. 25. SUCCESSION OF FEDERAL HOME LOAN BANKS.**

5 “Each Federal Home Loan Bank shall have succes-
6 sion until it is voluntarily merged with another Bank
7 under this Act, or until it is merged, reorganized, rehabili-
8 tated, liquidated, or otherwise wound up by the Director
9 in accordance with the provisions of section 1367 of the
10 Housing and Community Development Act of 1992, or by
11 further Act of Congress.”.

Strike line 23 on page 257 and all that follows through line 2 on page 258, and insert the following:

12 (A) in the matter preceding paragraph (1),
13 by striking “, or any executive officer or direc-
14 tor” and inserting “or any regulated-entity af-
15 filiated party”; and

Page 280, line 20, after “1992” insert “(12 U.S.C. 4631 et seq.)”.

Page 280, line 25, strike “section 165(a)(1)” and insert “section 166(a)(1)”.

Page 281, line 8, strike “section 165(a)(1)” and insert “section 166(a)(1)”.

Page 285, strike lines 13 through 23 and insert the following:

1 (2) EXCLUSION FROM SENIOR EXECUTIVE
2 SERVICE.—Section 3132(a)(1)(D) of title 5, United
3 States Code, is amended—
4 (A) by striking “the Federal Housing Fi-
5 nance Board,”; and
6 (B) by striking “the Office of Federal
7 Housing Enterprise Oversight of the Depart-
8 ment of Housing and Urban Development” and
9 inserting “the Federal Housing Finance Agen-
10 cy”.

Page 289, line 8, strike “12-month” and insert “24-month”.

Page 290, line 19, strike “members” and insert “directors”.

Page 291, line 5, strike “made”.

Page 291, strike line 20 and insert the following:

1 “(C) OTHER DIRECTORS.—

2 “(i) QUALIFICATIONS.—Each inde-”.

Page 292, after line 3, insert the following:

3 “(ii) CONSULTATION WITH BANKS.—

4 In appointing other directors to serve on
5 the board of a Federal home loan bank,
6 the Director of the Federal Housing Fi-
7 nance Agency may consult with each Fed-
8 eral home loan bank about the knowledge,
9 skills, and expertise needed to assist the
10 board in better fulfilling its responsibil-
11 ities.”.

Page 292, line 12, insert “elective” after the first
open quotation marks.

Page 292, line 13, before “pursuant” insert “estab-
lished”.

Page 292, line 20, strike “12 U.S.C. 1427(i)” and
insert “12 U.S.C. 1427(d)”.

Page 293, line 10, strike “Act” and insert “title”.

Page 293, line 18, strike “comes” and insert “oc-
curs”.

Page 293, line 19, strike “and”.

Page 293, line 21, strike “appointive” and insert “independent”.

Page 293, line 23, strike the period and insert a semicolon.

Page 293, after line 23, insert the following:

- 1 (3) in the paragraph heading, by striking “AP-
- 2 POINTED” and inserting “INDEPENDENT”; and
- 3 (4) by striking “appointive” each place such
- 4 term appears and inserting “independent”.

Page 294, before line 1, insert the following new subsection (and redesignate succeeding subsections accordingly):

- 5 (d) CONFORMING AMENDMENTS.—Section 7(f)(3) of
- 6 the Federal Home Loan Bank Act (12 U.S.C. 1427(f)(3))
- 7 is amended—
- 8 (1) in the paragraph heading, by striking
- 9 “ELECTED” and inserting “MEMBER”; and
- 10 (2) by striking “elective” each place such term
- 11 appears in the first and third sentences and insert-
- 12 ing “member”.

Page 295, line 22, strike “12 U.S.C. 1430” and insert “12 U.S.C. 1430(b)”.

Page 295, after line 23, insert the following (and redesignate succeeding paragraphs accordingly):

1 (5) in section 10 (12 U.S.C. 1430), by adding
2 at the end the following new subsection:
3 “(k) MONITORING AND ENFORCING COMPLIANCE
4 WITH AFFORDABLE HOUSING AND COMMUNITY INVEST-
5 MENT PROGRAM REQUIREMENTS.—The requirements
6 under subsection (i) and (j) that the Banks establish Com-
7 munity Investment and Affordable Housing Programs, re-
8 spectively, and contribute to the Affordable Housing Pro-
9 gram, shall be enforceable by the Director with respect
10 to the Banks in the same manner and to the same extent
11 as the housing goals under subpart B of part 2 of subtitle
12 A of title XIII of the Housing and Community Develop-
13 ment Act of 1992 (12 U.S.C. 4561 et seq.) are enforceable
14 under section 1336 of such Act with respect to the Federal
15 National Mortgage Association and the Federal Home
16 Loan Mortgage Corporation.”.

Page 300, line 21, strike “Bank” and insert “two or more Banks”.

Page 300, lines 23 and 24, strike “with another Bank”.

Page 303, line 16, after “issuing” insert “any”.

Page 306, after line 9, insert the following:

1 (g) SARBANES-OXLEY ACT OF 2002.—Section
2 105(b)(5)(B)(ii)(II) of the Sarbanes-Oxley Act of 2002
3 (15 U.S.C. 7215(B)(5)(b)(ii)(II)) is amended by inserting
4 “and the Director of the Federal Housing Finance Agen-
5 cy” after “Commission,”.

Page 318, lines 3 and 4, strike “and determina-
tions” and insert “determinations, and resolutions”.

Page 318, lines 11 and 12, strike “or determina-
tion” and insert “determination, or resolution”.

Page 327, line 13, before the period insert “**OF DE-
PARTMENT OF HOUSING AND URBAN DEVELOP-
MENT**”.

Page 329, line 9, after “paragraph (1)” insert “(and
the employees appointed pursuant thereto)”.

Page 331, line 15, strike “4502”.