

**AMENDMENT TO H.R. 384**  
**OFFERED BY MR. CARDOZA OF CALIFORNIA**

Strike line 24 on page 70 and all that follows  
through page 71, line 3, and insert the following:

1           (e) TARGETING FOR HOUSING DISASTER AREAS.—

2                 (1) IN GENERAL.—In carrying out the program  
3           under this section, the Secretary shall take into con-  
4           sideration impact of activities under the program on  
5           housing disaster areas.

6                 (2) REPORT.—Not later than 45 days after the  
7           date of the enactment of this Act, the Secretary  
8           shall—

9                     (A) evaluate the impact of such activities  
10           on housing disaster areas;

11                    (B) make a determination of whether the  
12           foreclosure rates and anticipated default rates  
13           in such areas have been adequately reduced;  
14           and

15                    (C) submit a report to the Congress that  
16           describes the impact of such activities and the  
17           determination of the Secretary under subpara-  
18           graph (B).

1           (3) ALTERNATIVE PROPOSALS.— If the Sec-  
2           retary determines that the foreclosure rates and an-  
3           ticipated default rates in housing disaster areas have  
4           not been adequately reduced, the Secretary shall—

5                   (A) consider carrying out alternative pro-  
6                   posals, including a proposal under which the  
7                   Federal Government makes available affordable  
8                   mortgages through subsidized financing or  
9                   mortgage purchases; and

10                   (B) establish and carry out alternative pro-  
11                   grams as the Secretary considers necessary to  
12                   ensure that foreclosure prevention efforts are  
13                   most effective in the areas of greatest need, in-  
14                   cluding housing disaster areas.

15           (4) HOUSING DISASTER AREAS.—For purposes  
16           of this section, the term “housing disaster  
17           area” means a geographic area having both—

18                   (A) a high foreclosure rate during the 12  
19                   months preceding the date of the enactment of  
20                   this Act, as measured by percentages of homes  
21                   in or having gone through foreclosure during  
22                   such period and compared to other areas; and

23                   (B) a substantial decline in home prices  
24                   during the 12 months preceding the date of the  
25                   enactment of this Act, as measured by the Of-

1            fice of Federal Housing Enterprise and Over-  
2            sight and compared to other areas.

