



Legislative Bulletin.....May 7, 2008

Contents:

H.R. 5818—Amendments to the Neighborhood Stabilization Act

H.R. 5818, the Neighborhood Stabilization Act (sponsored by Rep. Maxine Waters, D-CA), is scheduled to be considered on the House floor on Wednesday, May 7, 2008, subject to a structured rule ([H.Res. 1174](#)), making in order the seven amendments summarized below, each debatable for 10 minutes.

The rule waives all points of order against consideration of the bill, except those regarding PAYGO and earmarks, waives all points of order against the bill itself—except the PAYGO rule—and allows the Chair to postpone consideration of the legislation at any time during its consideration. The rule allows one motion to recommit with or without instructions.

The rule also provides that, after a motion that the Committee of the Whole rise has been rejected on a legislative day, the Chair may entertain another such motion on that day only if offered by the chairman of the Committee on Financial Services, the Majority Leader, or a designee of the Leader.

Note: The summaries below are based on RSC staff review of *actual amendment text* and thus differ from what's on the Rules Committee website. For a summary of the underlying bill, see a separate RSC document released today.

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AMENDMENTS MADE IN ORDER UNDER THE RULE

1. Waters (D-CA)/Frank (D-MA): This amendment would:

- provide for allocations of loan and grant amounts directly to qualified metropolitan cities and qualified urban counties, in addition to the states;
- make the definition of operating expenses consistent with other HUD programs; and
- provide that qualifying single family foreclosed housing under this legislation is that which does not exceed the lesser of 110% of the average purchase price for single family housing in the area **OR** the current appraised value of the property (except that if the current appraised value is less than 110% of the average purchase price, the program participant may appeal to have the cap be the average purchase price for the area).

2. Capito (R-WV): Requires that the loan/grant programs in the underlying bill be administered through HUD’s Office of Community Planning and Development.

3. Mahoney (D-FL): Clarifies that nothing in this bill would affect the right to bear arms under the Second Amendment to the U.S. Constitution.

4. Hensarling (R-TX): Terminates the grant authorities in the underlying bill and redirects all funds for the grant program to the loan program (for a total of \$15 billion in loans). The amendment sponsor notes that the premise behind it is that “*if* it is necessary to give states extra resources to address the current housing turmoil, then it ought to be done is a fiscally responsible way that does not increase the deficit.”

5. Kucinich (D-OH): Modifies one purpose of the legislation to emphasize the need to “preserve the equity and ensure the safety of the neighbors of homes made vacant by the predatory lending and foreclosure crises,” and provides that an allocation recipient under the bill prioritize the allocation of funds to areas with high concentration of vacancies and foreclosures (and opposed to just foreclosures in the underlying bill).

6. McCotter (R-MI): Directs states distributing loan and grant funds for housing rehabilitation under this bill to give priority to veterans, members of the Armed Forces on active duty, members of the National Guard or Armed Forces reserves, school teachers, and emergency responders when reselling the rehabilitated property.

7. Altmire (D-PA): Clarifies that illegal immigrants would be ineligible for financial assistance under this bill.
