

112<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1315

---

IN THE SENATE OF THE UNITED STATES

JULY 22, 2011

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

---

## AN ACT

To amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to strengthen the review authority of the Financial Stability Oversight Council of regulations issued by the Bureau of Consumer Financial Protection, to rescind the unobligated funding for the FHA Refinance Program and to terminate the program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TABLE OF CONTENTS.**

4 The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—CONSUMER FINANCIAL PROTECTION SAFETY AND  
SOUNDNESS IMPROVEMENT ACT

Sec. 101. Short title.

Sec. 102. Council voting procedure.

Sec. 103. Review authority of the Council.

Sec. 104. Establishment of the Commission.

Sec. 105. Conforming amendments.

Sec. 106. Chair of the Commission required before transfer.

Sec. 107. Inspector General report.

Sec. 108. Analysis of regulations.

TITLE II—FHA REFINANCE PROGRAM TERMINATION ACT

Sec. 201. Short title.

Sec. 202. Rescission of funding for FHA Refinance Program.

Sec. 203. Termination of FHA Refinance Program.

Sec. 204. Publication of Member Availability for Assistance.

5 **TITLE I—CONSUMER FINANCIAL**  
 6 **PROTECTION SAFETY AND**  
 7 **SOUNDNESS IMPROVEMENT**  
 8 **ACT**

9 **SEC. 101. SHORT TITLE.**

10 This title may be cited as the “Consumer Financial  
 11 Protection Safety and Soundness Improvement Act of  
 12 2011”.

13 **SEC. 102. COUNCIL VOTING PROCEDURE.**

14 (a) IN GENERAL.—Section 1023(c)(3)(A) of the  
 15 Dodd-Frank Wall Street Reform and Consumer Protec-  
 16 tion Act is amended—

1           (1) by striking “ $\frac{2}{3}$ ” and inserting “a major-  
2           ity”; and

3           (2) by inserting before the period the following:  
4           “, excluding the Chair of the Commission of the Bu-  
5           reau”.

6           (b) PETITION BY NONVOTING MEMBERS; NO RE-  
7           STRICTIONS ON PETITION SUBJECT MATTER.—Section  
8           1023 of the Dodd-Frank Wall Street Reform and Con-  
9           sumer Protection act is amended by adding at the end the  
10          following new subsection:

11          “(g) PETITION BY NONVOTING MEMBERS.—Notwith-  
12          standing any other subsection of this section, the provi-  
13          sions of this section shall apply to a petition by a non-  
14          voting member of the Council to the same extent that they  
15          apply to a petition by an agency represented by a member  
16          of the Council.

17          “(h) NO RESTRICTIONS ON PETITION SUBJECT MAT-  
18          TER.—Petitions made under this section may be made by  
19          an agency or a nonvoting member of the Council on any  
20          subject matter, regardless of the areas of particular exper-  
21          tise of such agency or nonvoting member.”.

22          (c) CONFLICT OF INTEREST.—Section 1023(c)(3) of  
23          the Dodd-Frank Wall Street Reform and Consumer Pro-  
24          tection Act is amended by adding at the end the following  
25          new subparagraph:

1           “(C) CONFLICT OF INTEREST.—No mem-  
2           ber of the Council may vote on the decision to  
3           issue a stay of, or set aside, any regulation  
4           under this section, if such member has, within  
5           the previous 2-year period, been employed by  
6           any company or other entity that is subject to  
7           such regulation.”.

8 **SEC. 103. REVIEW AUTHORITY OF THE COUNCIL.**

9           Section 1023 of the Dodd-Frank Wall Street Reform  
10          and Consumer Protection Act is amended—

11           (1) in subsection (a)—

12                   (A) by striking “may” and inserting  
13                   “shall”; and

14                   (B) by striking “regulation or provision  
15                   would put the safety and soundness of the  
16                   United States banking system or the stability of  
17                   the financial system of the United States at  
18                   risk” and inserting “regulation which is the  
19                   subject of the petition is inconsistent with the  
20                   safe and sound operations of United States fi-  
21                   nancial institutions”; and

22           (2) in subsection (c)—

23                   (A) in paragraph (3)(B)(ii), by striking  
24                   “would put the safety and soundness of the  
25                   United States banking system or the stability of

1 the financial system of the United States at  
2 risk” and inserting “is inconsistent with the  
3 safe and sound operations of United States fi-  
4 nancial institutions”;

5 (B) in paragraph (4)—

6 (i) by striking subparagraph (B); and

7 (ii) by redesignating subparagraph

8 (C) as subparagraph (B);

9 (C) by striking paragraph (5);

10 (D) by redesignating paragraphs (6), (7),

11 and (8) as paragraphs (5), (6), and (7), respec-

12 tively; and

13 (E) by adding at the end the following new

14 paragraph:

15 “(8) PUBLIC MEETINGS.—Any time the Council

16 meets pursuant to this section to decide whether to

17 issue a stay of, or set aside, any regulation, every

18 portion of such meeting shall be open to public ob-

19 servation. The Council shall provide live online

20 streaming or broadcasting of the meetings.”.

21 **SEC. 104. ESTABLISHMENT OF THE COMMISSION.**

22 Section 1011 of the Consumer Financial Protection

23 Act of 2010 is amended—

24 (1) by striking subsections (b), (c), and (d);

1           (2) by redesignating subsection (e) as sub-  
2           section (j); and

3           (3) by inserting after subsection (a) the fol-  
4           lowing new subsections:

5           “(b) ESTABLISHMENT OF THE COMMISSION.—

6                 “(1) IN GENERAL.—There is hereby established  
7           a commission (hereinafter referred to in this section  
8           as the ‘Commission’) that shall serve as the head of  
9           the Bureau.

10               “(2) AUTHORITY TO PRESCRIBE REGULA-  
11           TIONS.—The Commission may prescribe such regu-  
12           lations and issue such orders in accordance with this  
13           title as the Commission may determine to be nec-  
14           essary for carrying out this title and all other laws  
15           within the Commission’s jurisdiction and shall exer-  
16           cise any authorities granted under this title and all  
17           other laws within the Commission’s jurisdiction.

18           “(c) COMPOSITION OF THE COMMISSION.—

19               “(1) IN GENERAL.—The Commission shall be  
20           composed of the Vice Chairman for Supervision of  
21           the Federal Reserve System and 4 additional mem-  
22           bers who shall be appointed by the President, by and  
23           with the advice and consent of the Senate, from  
24           among individuals who—

25               “(A) are citizens of the United States;

1           “(B) have strong competencies and experi-  
2           ences related to consumer financial protection;  
3           and

4           “(C) should want to protect service mem-  
5           bers and their families who are sacrificing their  
6           lives for this country from abusive financial  
7           practices.

8           “(2) STAGGERING.—The members of the Com-  
9           mission appointed under paragraph (1) shall serve  
10          staggered terms, which initially shall be established  
11          by the President for terms of 1, 2, 4, and 5 years,  
12          respectively.

13          “(3) TERMS.—

14                 “(A) IN GENERAL.—Each member of the  
15                 Commission appointed under paragraph (1), in-  
16                 cluding the Chair, shall serve for a term of 5  
17                 years.

18                 “(B) REMOVAL FOR CAUSE.—The Presi-  
19                 dent may remove any member of the Commis-  
20                 sion appointed under paragraph (1) only for in-  
21                 efficiency, neglect of duty, or malfeasance in of-  
22                 fice.

23                 “(C) VACANCIES.—Any member of the  
24                 Commission appointed under paragraph (1) ap-  
25                 pointed to fill a vacancy occurring before the

1 expiration of the term to which that member’s  
2 predecessor was appointed (including the Chair)  
3 shall be appointed only for the remainder of the  
4 term.

5 “(D) CONTINUATION OF SERVICE.—Each  
6 member of the Commission appointed under  
7 paragraph (1) may continue to serve after the  
8 expiration of the term of office to which that  
9 member was appointed until a successor has  
10 been appointed by the President and confirmed  
11 by the Senate, except that a member may not  
12 continue to serve more than 1 year after the  
13 date on which that member’s term would other-  
14 wise expire.

15 “(E) OTHER EMPLOYMENT PROHIBITED.—  
16 No member of the Commission appointed under  
17 paragraph (1) shall engage in any other busi-  
18 ness, vocation, or employment.

19 “(4) ROLES AND RESPONSIBILITIES OF COM-  
20 MISSIONERS.—One member of the Commission shall  
21 have as their primary responsibility the oversight of  
22 the Bureau’s activities pertaining to protecting con-  
23 sumers, with a focus on consumers who are older,  
24 minorities, youth, or veterans, from unfair, decep-



1       tive, and abusive lending practices. The designated  
2       commissioner shall be responsible for—

3               “(A) ensuring the Bureau conducts regular  
4               outreach to consumers regarding industry lend-  
5               ing activities;

6               “(B) researching and reporting to the full  
7               Commission, on a regular basis, the impact of  
8               new loan and credit products and services on  
9               consumers;

10              “(C) ensuring the Bureau coordinates with  
11              State-level consumer protection agencies on en-  
12              forcement measures that protect consumers  
13              from unfair, deceptive, and abusive lending  
14              practices; and

15              “(D) researching and reporting to the full  
16              Commission about ways to protect consumers  
17              from unfair, deceptive, or abusive lending acts  
18              or practices, including how language barriers  
19              contribute to lack of understanding in lending  
20              activities.

21              “(d) AFFILIATION.—With respect to members ap-  
22              pointed pursuant to subsection (c)(1), not more than 2  
23              shall be members of any one political party.

24              “(e) CHAIR OF THE COMMISSION.—

1           “(1) APPOINTMENT.—The Chair of the Com-  
2 mission shall be appointed by the President from  
3 among the members of the Commission appointed  
4 under paragraph (1).

5           “(2) AUTHORITY.—The Chair shall be the prin-  
6 cipal executive officer of the Bureau, and shall exer-  
7 cise all of the executive and administrative functions  
8 of the Bureau, including with respect to—

9                   “(A) the appointment and supervision of  
10 personnel employed under the Bureau (other  
11 than personnel employed regularly and full time  
12 in the immediate offices of members of the  
13 Commission other than the Chair);

14                   “(B) the distribution of business among  
15 personnel appointed and supervised by the  
16 Chair and among administrative units of the  
17 Bureau; and

18                   “(C) the use and expenditure of funds.

19           “(3) LIMITATION.—In carrying out any of the  
20 Chair’s functions under the provisions of this sub-  
21 section the Chair shall be governed by general poli-  
22 cies of the Commission and by such regulatory deci-  
23 sions, findings, and determinations as the Commis-  
24 sion may by law be authorized to make.

1           “(4) REQUESTS OR ESTIMATES RELATED TO  
2           APPROPRIATIONS.—Requests or estimates for reg-  
3           ular, supplemental, or deficiency appropriations on  
4           behalf of the Commission may not be submitted by  
5           the Chair without the prior approval of the Commis-  
6           sion.

7           “(f) NO IMPAIRMENT BY REASON OF VACANCIES.—  
8           No vacancy in the members of the Commission shall im-  
9           pair the right of the remaining members of the Commis-  
10          sion to exercise all the powers of the Commission. Three  
11          members of the Commission shall constitute a quorum for  
12          the transaction of business, except that if there are only  
13          3 members serving on the Commission because of vacan-  
14          cies in the Commission, 2 members of the Commission  
15          shall constitute a quorum for the transaction of business.  
16          If there are only 2 members serving on the Commission  
17          because of vacancies in the Commission, 2 members shall  
18          constitute a quorum for the 6-month period beginning on  
19          the date of the vacancy which caused the number of Com-  
20          mission members to decline to 2.

21          “(g) SEAL.—The Commission shall have an official  
22          seal.

23          “(h) COMPENSATION.—

24                 “(1) CHAIR.—The Chair shall receive com-  
25                 pensation at the rate prescribed for level I of the

1 Executive Schedule under section 5313 of title 5,  
2 United States Code.

3 “(2) OTHER MEMBERS OF THE COMMISSION.—  
4 The 3 other members of the Commission appointed  
5 under subsection (c)(1) shall each receive compensa-  
6 tion at the rate prescribed for level II of the Execu-  
7 tive Schedule under section 5314 of title 5, United  
8 States Code.

9 “(i) INITIAL QUORUM ESTABLISHED.—During any  
10 time period prior to the confirmation of at least two mem-  
11 bers of the Commission, one member of the Commission  
12 shall constitute a quorum for the transaction of business.  
13 Following the confirmation of at least 2 additional com-  
14 missioners, the quorum requirements of subsection (f)  
15 shall apply.”.

16 **SEC. 105. CONFORMING AMENDMENTS.**

17 (a) CONSUMER FINANCIAL PROTECTION ACT OF  
18 2010.—

19 (1) IN GENERAL.—The Consumer Financial  
20 Protection Act of 2010 is amended—

21 (A) in section 1002, by striking paragraph  
22 (10);

23 (B) in section 1012(c)(4), by striking “Di-  
24 rector” each place such term appears and in-  
25 serting “Commission of the Bureau”;

1 (C) in section 1013(c)(3)—

2 (i) by striking “Assistant Director of  
3 the Bureau for” and inserting “Head of  
4 the Office of”; and

5 (ii) in subparagraph (B), by striking  
6 “Assistant Director” and inserting “Head  
7 of the Office”;

8 (D) in section 1013(g)(2)—

9 (i) by striking “ASSISTANT DIREC-  
10 TOR” and inserting “HEAD OF THE OF-  
11 FICE”; and

12 (ii) by striking “an assistant director”  
13 and inserting “a Head of the Office of Fi-  
14 nancial Protection for Older Americans”;

15 (E) in section 1016(a), by striking “Direc-  
16 tor of the Bureau” and inserting “Chair of the  
17 Commission”;

18 (F) in section 1017(c)(1), by striking “Di-  
19 rector and other employees” and inserting  
20 “members of the Commission and other employ-  
21 ees”;

22 (G) in section 1027(l)(1), by striking “Di-  
23 rector and the”; and

1 (H) in section 1066(a), by striking “Direc-  
2 tor of the Bureau is” and inserting “first mem-  
3 ber of the Commission is”.

4 (2) GLOBAL AMENDMENTS.—The Consumer Fi-  
5 nancial Protection Act of 2010 is amended—

6 (A) by striking “Director of the” each  
7 place such term appears, other than in—

8 (i) subparagraphs (A) and (E) of sec-  
9 tion 1017(4);

10 (ii) section 1043;

11 (iii) section 1061(b)(3);

12 (iv) section 1062;

13 (v) section 1063(f);

14 (vi) subparagraphs (E) and (G) of  
15 section 1064(i)(2); and

16 (vii) section 1065(a); and

17 (B) by striking “Director” each place such  
18 term appears and inserting “Bureau”, other  
19 than in—

20 (i) section 1063(f)(2); and

21 (ii) section 1065(a).

22 (b) DODD-FRANK WALL STREET REFORM AND CON-  
23 SUMER PROTECTION ACT.—The Dodd-Frank Wall Street  
24 Reform and Consumer Protection Act is amended—

1 (1) in section 111(b)(1)(D), by striking “Direc-  
2 tor” and inserting “Chair of the Commission”; and

3 (2) in section 1447, by striking “Director of the  
4 Bureau” each place such term appears and inserting  
5 “Bureau”.

6 (c) ELECTRONIC FUND TRANSFER ACT.—Section  
7 921(a)(4)(C) of the Electronic Fund Transfer Act, as  
8 added by section 1075(a)(2) of the Consumer Financial  
9 Protection Act of 2010, is amended by striking “Director  
10 of the Bureau of Consumer Financial Protection” and in-  
11 serting “Bureau of Consumer Financial Protection”.

12 (d) EXPEDITED FUNDS AVAILABILITY ACT.—The  
13 Expedited Funds Availability Act, as amended by section  
14 1086 of the Consumer Financial Protection Act of 2010,  
15 is amended by striking “Director of the Bureau” each  
16 place such term appears and inserting “Bureau”.

17 (e) FEDERAL DEPOSIT INSURANCE ACT.—Section 2  
18 of the Federal Deposit Insurance Act, as amended by sec-  
19 tion 336(a) of the Dodd-Frank Wall Street Reform and  
20 Consumer Protection Act, is amended by striking “Direc-  
21 tor of the Consumer Financial Protection Bureau” each  
22 place such term appears and inserting “Chair of the Com-  
23 mission of the Bureau of Consumer Financial Protection”.

24 (f) FEDERAL FINANCIAL INSTITUTIONS EXAMINA-  
25 TION COUNCIL ACT OF 1978.—Section 1004(a)(4) of the

1 Federal Financial Institutions Examination Council Act of  
2 1978 (12 U.S.C. 3303(a)(4)), as amended by section 1091  
3 of the Consumer Financial Protection Act of 2010, is  
4 amended by striking “Director of the Consumer Financial  
5 Protection Bureau” and inserting “Chair of the Commis-  
6 sion of the Bureau of Consumer Financial Protection”.

7 (g) FINANCIAL LITERACY AND EDUCATION IM-  
8 PROVEMENT ACT.—Section 513 of the Financial Literacy  
9 and Education Improvement Act, as amended by section  
10 1013(d) of the Consumer Financial Protection Act of  
11 2010, is amended by striking “Director” each place such  
12 term appears and inserting “Chair of the Commission”.

13 (h) HOME MORTGAGE DISCLOSURE ACT OF 1975.—  
14 Section 307 of the Home Mortgage Disclosure Act of  
15 1975, as amended by section 1094(6) of the Consumer  
16 Financial Protection Act of 2010, is amended by striking  
17 “Director of the Bureau of Consumer Financial Protec-  
18 tion” each place such term appears and inserting “Bureau  
19 of Consumer Financial Protection”.

20 (i) INTERSTATE LAND SALES FULL DISCLOSURE  
21 ACT.—The Interstate Land Sales Full Disclosure Act, as  
22 amended by section 1098A of the Consumer Financial  
23 Protection Act of 2010, is amended—

24 (1) by amending section 1402(1) to read as fol-  
25 lows:



1 “(1) ‘Chair’ means the Chair of the Commission of  
2 the Bureau of Consumer Financial Protection;”;

3 (2) in section 1416(a), by striking “Director of  
4 the Bureau of Consumer Financial Protection” and  
5 inserting “Chair”; and

6 (3) by striking “Director” each place such term  
7 appears and inserting “Bureau”.

8 (j) REAL ESTATE SETTLEMENT PROCEDURES ACT  
9 OF 1974.—Section 5 of the Real Estate Settlement Proce-  
10 dures Act of 1974, as amended by section 1450 of the  
11 Dodd-Frank Wall Street Reform and Consumer Protec-  
12 tion Act, is amended—

13 (1) by striking “The Director of the Bureau of  
14 Consumer Financial Protection (hereafter in this  
15 section referred to as the ‘Director’)” and inserting  
16 “The Bureau of Consumer Financial Protection”;  
17 and

18 (2) by striking “Director” each place such term  
19 appears and inserting “Bureau”.

20 (k) S.A.F.E. MORTGAGE LICENSING ACT OF 2008.—  
21 The S.A.F.E. Mortgage Licensing Act of 2008, as amend-  
22 ed by section 1100 of the Consumer Financial Protection  
23 Act of 2010, is amended—

1           (1) by striking “Director” each place such term  
2           appears in headings and text and inserting “Bu-  
3           reau”; and

4           (2) in section 1503, by striking paragraph (10).

5           (l) TITLE 44, UNITED STATES CODE.—Section  
6 3513(c) of title 44, United States Code, as amended by  
7 section 1100D(b) of the Consumer Financial Protection  
8 Act of 2010, is amended by striking “Director of the Bu-  
9 reau” and inserting “Bureau”.

10 **SEC. 106. CHAIR OF THE COMMISSION REQUIRED BEFORE**  
11 **TRANSFER.**

12           Section 1062 of the Dodd-Frank Wall Street Reform  
13 and Consumer Protection Act is amended by adding at  
14 the end the following new subsection:

15           “(d) CHAIR OF THE COMMISSION REQUIRED BEFORE  
16 TRANSFER.—Notwithstanding the other provisions of this  
17 section, the single calendar date for the transfer of func-  
18 tions to the Bureau under section 1061 shall be the later  
19 of—

20           “(1) the date that would have been designated,  
21           but for the application of this subsection; and

22           “(2) the date on which the Chair of the Com-  
23           mission of the Bureau is confirmed by the Senate.”.

1 **SEC. 107. INSPECTOR GENERAL REPORT.**

2 Section 1013 of the Dodd-Frank Wall Street Reform  
3 and Consumer Protection Act is amended by adding at  
4 the end the following new subsection:

5 “(h) INSPECTOR GENERAL REPORT.—

6 “(1) IN GENERAL.—Not later than February 1,  
7 2012, and annually thereafter, the Inspector General  
8 of the Board of Governors of the Federal Reserve  
9 System and the Bureau of Consumer Financial Pro-  
10 tection shall submit a report to the Congress con-  
11 taining the following:

12 “(A) A list of all new rules, guidelines, and  
13 regulations prescribed by the Bureau within the  
14 previous fiscal year, with corresponding detailed  
15 descriptions of each.

16 “(B) A detailed list of all authority which  
17 the Inspector General believes overlaps with the  
18 efforts of other Federal departments and agen-  
19 cies.

20 “(C) All administrative expenses of the  
21 Bureau, including the amount spent on salaries,  
22 office supplies, and office space.

23 “(D) The current amount in the Bureau of  
24 Consumer Financial Protection Fund.

25 “(2) PUBLIC DISCLOSURE.—The Inspector Gen-  
26 eral of the Board of Governors of the Federal Re-

1       serve System and the Bureau of Consumer Financial  
2       Protection shall make each report submitted under  
3       paragraph (1) available to the public, including on  
4       the Bureau’s website.

5               “(3) USE OF FUNDS.—The Inspector General  
6       shall carry out this subsection using existing  
7       funds.”.

8       **SEC. 108. ANALYSIS OF REGULATIONS.**

9       Section 1022 of the Dodd-Frank Wall Street Reform  
10      and Consumer Protection Act is amended by adding at  
11      the end the following new subsection:

12      “(e) ANALYSIS OF REGULATIONS.—

13               “(1) IN GENERAL.—Each time the Bureau pro-  
14      poses a new rule or regulation, the Bureau shall—

15                       “(A) carry out an initial regulatory flexi-  
16      bility analysis for such proposed rule or regula-  
17      tion, which shall be carried out as closely as  
18      possible to those initial regulatory flexibility  
19      analyses required under section 603 of title 5,  
20      United States Code, but which shall analyze the  
21      financial impact of the proposed rule or regula-  
22      tion on all financial entities, regardless of size;  
23      and

24                       “(B) carry out an analysis of whether the  
25      proposed rule or regulation will impair the abil-

1           ity of individuals and small business to access  
2           credit from financial institutions.

3           “(2) REPORT.—The Bureau shall issue a report  
4           to the Council on the analyses carried out under  
5           paragraph (1), and make such analyses available to  
6           the public.

7           “(3) USE OF EXISTING RESOURCES.—The Bu-  
8           reau shall use existing resources to carry out the re-  
9           quirements of this subsection.”.

10           **TITLE II—FHA REFINANCE**  
11           **PROGRAM TERMINATION ACT**

12           **SEC. 201. SHORT TITLE.**

13           This title may be cited as the “FHA Refinance Pro-  
14           gram Termination Act”.

15           **SEC. 202. RESCISSION OF FUNDING FOR FHA REFINANCE**  
16           **PROGRAM.**

17           Effective on the date of the enactment of this Act,  
18           there are rescinded and permanently canceled all unex-  
19           pected balances remaining available as of such date of en-  
20           actment of the amounts made available under title I of  
21           the Emergency Economic Stabilization Act (Public Law  
22           110–343; 12 U.S.C. 5211 et seq.) that have been allocated  
23           for use under the FHA Refinance Program (pursuant to  
24           Mortgagee Letter 2010–23 of the Secretary of Housing  
25           and Urban Development) of the Making Home Affordable

1 initiative of the Secretary of the Treasury. All such unex-  
2 pended balances so rescinded and permanently canceled  
3 shall be retained in the general fund of the Treasury for  
4 reducing the debt of the Federal Government.

5 **SEC. 203. TERMINATION OF FHA REFINANCE PROGRAM.**

6 (a) **TERMINATION OF MORTGAGEE LETTER.**—The  
7 Mortgagee Letter referred to in section 202 shall be void  
8 and have no effect and the Secretary of Housing and  
9 Urban Development may not issue any regulation, order,  
10 notice, or mortgagee letter based on or substantially simi-  
11 lar to such Mortgagee Letter.

12 (b) **TREATMENT OF REMAINING FUNDS.**—Notwith-  
13 standing subsection (a) of this section, any amounts made  
14 available for use under the Program referred to in section  
15 202 of this title and expended before the date of the enact-  
16 ment of this Act shall continue to be governed by the  
17 Mortgagee Letter specified in subsection (a) of this sec-  
18 tion, and any other provisions of law, regulations, orders,  
19 and notices, applicable to such amounts, as in effect imme-  
20 diately before such date of enactment.

21 (c) **TERMINATION.**—After the enactment of this Act,  
22 the Secretary of Housing and Urban Development may  
23 not newly insure any mortgage under the FHA Refinance  
24 Program referred to in section 202 of this title except pur-  
25 suant to a commitment to insure made before such enact-

1 ment, and upon the completion of all activities with re-  
2 spect to such commitments under the provisions of law,  
3 regulations, orders, notices, and mortgagee letters referred  
4 to in subsection (b) of this section, the Secretary of Hous-  
5 ing and Urban Development shall terminate the FHA Re-  
6 finance Program referred to in section 202.

7 (d) STUDY OF USE OF PROGRAM BY MEMBERS OF  
8 THE ARMED FORCES, VETERANS, GOLD STAR RECIPI-  
9 ENTS, AND MEMBERS AND VETERANS WITH SERVICE-  
10 CONNECTED DISABILITIES AND THEIR FAMILIES.—

11 (1) STUDY.—The Secretary of Housing and  
12 Urban Development shall conduct a study to deter-  
13 mine the extent of usage of the FHA Refinance Pro-  
14 gram referred to in section 202 by, and the impact  
15 of such program on, covered homeowners.

16 (2) REPORT.—Not later than the expiration of  
17 the 90-day period beginning on the date of the en-  
18 actment of this Act, the Secretary shall submit to  
19 the Congress a report setting forth the results of the  
20 study under paragraph (1) and identifying best  
21 practices, with respect to covered homeowners, that  
22 could be applied to the FHA Refinance Program.

23 (3) COVERED HOMEOWNER.—For purposes of  
24 this subsection, the term “covered homeowner”  
25 means a homeowner who is—

1 (A) a member of the Armed Forces of the  
2 United States on active duty or the spouse or  
3 parent of such a member;

4 (B) a veteran, as such term is defined in  
5 section 101 of title 38, United States Code;

6 (C) eligible to receive a Gold Star lapel pin  
7 under section 1126 of title 10, United States  
8 Code, as a widow, parent, or next of kin of a  
9 member of the Armed Forces person who died  
10 in a manner described in subsection (a) of such  
11 section; and

12 (D) such members and veterans of the  
13 Armed Forces who have service-connected inju-  
14 rias, and survivors and dependents of such  
15 members and veterans of the Armed Forces  
16 with such injuries.

17 **SEC. 204. PUBLICATION OF MEMBER AVAILABILITY FOR AS-**  
18 **SISTANCE.**

19 Not later than 5 days after the date of the enactment  
20 of this Act, the Secretary of Housing and Urban Develop-  
21 ment shall publish to its Website on the World Wide Web  
22 in a prominent location, large point font, and boldface type  
23 the following statement: “The FHA Short Refinance Pro-  
24 gram, which was intended to provide borrowers with refi-  
25 nance opportunities, has been terminated. If you are hav-



1 ing trouble paying your mortgage and need help con-  
2 tacting your lender or servicer for purposes of negotiating  
3 or acquiring a loan modification, please contact your Mem-  
4 ber of Congress to assist you in contacting your lender  
5 or servicer for the purpose of negotiating or acquiring a  
6 loan modification.”.

Passed the House of Representatives July 21, 2011.

Attest:

KAREN L. HAAS,

*Clerk.*