

## HR 5121

Expanding American Homeownership Act of 2006

**Congress:** 109 (2005–2007, Ended)

**Chamber:** House

**Policy Area:** Housing and Community Development

**Introduced:** Apr 6, 2006

**Current Status:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban A

**Latest Action:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Jul 26, 2006)

**Official Text:** <https://www.congress.gov/bill/109th-congress/house-bill/5121>

### Sponsor

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**Name:** Rep. Ney, Robert W. [R-OH-18]

**Party:** Republican • **State:** OH • **Chamber:** House

**Cosponsors** (106 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Miller, Gary G. [R-CA-42]	R · CA		Apr 6, 2006
Rep. Tiberi, Patrick J. [R-OH-12]	R · OH		Apr 6, 2006
Rep. Waters, Maxine [D-CA-35]	D · CA		Apr 6, 2006
Rep. Harris, Katherine [R-FL-13]	R · FL		May 8, 2006
Rep. Hinojosa, Ruben [D-TX-15]	D · TX		May 8, 2006
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		May 8, 2006
Rep. Payne, Donald M. [D-NJ-10]	D · NJ		May 8, 2006
Rep. Shays, Christopher [R-CT-4]	R · CT		May 8, 2006
Rep. Wynn, Albert Russell [D-MD-4]	D · MD		May 8, 2006
Rep. Calvert, Ken [R-CA-44]	R · CA		May 11, 2006
Rep. Campbell, John [R-CA-48]	R · CA		May 11, 2006
Rep. Clay, Wm. Lacy [D-MO-1]	D · MO		May 11, 2006
Rep. Diaz-Balart, Lincoln [R-FL-21]	R · FL		May 11, 2006
Rep. Diaz-Balart, Mario [R-FL-25]	R · FL		May 11, 2006
Rep. Drake, Thelma D. [R-VA-2]	R · VA		May 11, 2006
Rep. Dreier, David [R-CA-26]	R · CA		May 11, 2006
Rep. English, Phil [R-PA-3]	R · PA		May 11, 2006
Rep. Marchant, Kenny [R-TX-24]	R · TX		May 11, 2006
Rep. McKeon, Howard P. "Buck" [R-CA-25]	R · CA		May 11, 2006
Rep. Miller, Brad [D-NC-13]	D · NC		May 11, 2006
Rep. Radanovich, George [R-CA-19]	R · CA		May 11, 2006
Rep. Rohrabacher, Dana [R-CA-46]	R · CA		May 11, 2006
Rep. Andrews, Robert E. [D-NJ-1]	D · NJ		May 17, 2006
Rep. Brown-Waite, Ginny [R-FL-5]	R · FL		May 17, 2006
Rep. Capito, Shelley Moore [R-WV-2]	R · WV		May 17, 2006
Rep. Davis, Geoff [R-KY-4]	R · KY		May 17, 2006
Rep. Davis, Jo Ann [R-VA-1]	R · VA		May 17, 2006
Rep. Feeney, Tom [R-FL-24]	R · FL		May 17, 2006
Rep. Foley, Mark [R-FL-16]	R · FL		May 17, 2006
Rep. Israel, Steve [D-NY-2]	D · NY		May 17, 2006
Rep. LaTourette, Steven C. [R-OH-14]	R · OH		May 17, 2006
Rep. Neugebauer, Randy [R-TX-19]	R · TX		May 17, 2006
Rep. Pearce, Stevan [R-NM-2]	R · NM		May 17, 2006
Rep. Porter, Jon C. [R-NV-3]	R · NV		May 17, 2006
Rep. Pryce, Deborah [R-OH-15]	R · OH		May 17, 2006
Rep. Renzi, Rick [R-AZ-1]	R · AZ		May 17, 2006
Rep. Ross, Mike [D-AR-4]	D · AR		May 17, 2006
Rep. Sanders, Bernard [I-VT-At Large]	I · VT		May 17, 2006
Resident Commissioner Fortuno, Luis G. [R-PR-At Large]	R · PR		May 17, 2006
Rep. Biggert, Judy [R-IL-13]	R · IL		May 19, 2006
Rep. Goode, Virgil H., Jr. [R-VA-5]	R · VA		May 19, 2006

Cosponsor	Party / State	Role	Date Joined
Rep. Green, Al [D-TX-9]	D · TX		May 19, 2006
Rep. McGovern, James P. [D-MA-3]	D · MA		May 19, 2006
Rep. McHugh, John M. [R-NY-23]	R · NY		May 19, 2006
Rep. Ramstad, Jim [R-MN-3]	R · MN		May 19, 2006
Rep. Sessions, Pete [R-TX-32]	R · TX		May 19, 2006
Rep. Weldon, Curt [R-PA-7]	R · PA		May 19, 2006
Rep. Bachus, Spencer [R-AL-6]	R · AL		May 23, 2006
Rep. Carson, Julia [D-IN-7]	D · IN		May 23, 2006
Rep. Case, Ed [D-HI-2]	D · HI		May 23, 2006
Rep. Cleaver, Emanuel [D-MO-5]	D · MO		May 23, 2006
Rep. Matsui, Doris O. [D-CA-5]	D · CA		May 23, 2006
Rep. Mica, John L. [R-FL-7]	R · FL		May 23, 2006
Rep. Platts, Todd Russell [R-PA-19]	R · PA		May 23, 2006
Rep. Simmons, Rob [R-CT-2]	R · CT		May 23, 2006
Rep. Baca, Joe [D-CA-43]	D · CA		May 25, 2006
Rep. Gillmor, Paul E. [R-OH-5]	R · OH		May 25, 2006
Rep. McKinney, Cynthia A. [D-GA-4]	D · GA		May 25, 2006
Rep. Pombo, Richard W. [R-CA-11]	R · CA		May 25, 2006
Rep. Brady, Robert A. [D-PA-1]	D · PA		Jun 6, 2006
Rep. Burgess, Michael C. [R-TX-26]	R · TX		Jun 6, 2006
Rep. Capuano, Michael E. [D-MA-8]	D · MA		Jun 6, 2006
Rep. Lucas, Frank D. [R-OK-3]	R · OK		Jun 6, 2006
Rep. Scott, David [D-GA-13]	D · GA		Jun 6, 2006
Rep. Berkley, Shelley [D-NV-1]	D · NV		Jun 8, 2006
Rep. Davis, Artur [D-AL-7]	D · AL		Jun 8, 2006
Rep. Hart, Melissa A. [R-PA-4]	R · PA		Jun 8, 2006
Rep. Blackburn, Marsha [R-TN-7]	R · TN		Jun 22, 2006
Rep. Clyburn, James E. [D-SC-6]	D · SC		Jun 22, 2006
Rep. Davis, Lincoln [D-TN-4]	D · TN		Jun 22, 2006
Rep. Fossella, Vito [R-NY-13]	R · NY		Jun 22, 2006
Rep. Larsen, Rick [D-WA-2]	D · WA		Jun 22, 2006
Rep. Otter, C. L. (Butch) [R-ID-1]	R · ID		Jun 22, 2006
Rep. Rothman, Steven R. [D-NJ-9]	D · NJ		Jun 22, 2006
Del. Christensen, Donna M. [D-VI-At Large]	D · VI		Jun 29, 2006
Del. Norton, Eleanor Holmes [D-DC-At Large]	D · DC		Jun 29, 2006
Rep. Boehlert, Sherwood [R-NY-24]	R · NY		Jun 29, 2006
Rep. Brown, Sherrod [D-OH-13]	D · OH		Jun 29, 2006
Rep. Conyers, John, Jr. [D-MI-14]	D · MI		Jun 29, 2006
Rep. Cummings, Elijah E. [D-MD-7]	D · MD		Jun 29, 2006
Rep. Davis, Danny K. [D-IL-7]	D · IL		Jun 29, 2006
Rep. Doolittle, John T. [R-CA-4]	R · CA		Jun 29, 2006
Rep. Fattah, Chaka [D-PA-2]	D · PA		Jun 29, 2006

Cosponsor	Party / State	Role	Date Joined
Rep. Fitzpatrick, Michael G. [R-PA-8]	R · PA		Jun 29, 2006
Rep. Hastings, Alcee L. [D-FL-23]	D · FL		Jun 29, 2006
Rep. Jackson-Lee, Sheila [D-TX-18]	D · TX		Jun 29, 2006
Rep. Jefferson, William J. [D-LA-2]	D · LA		Jun 29, 2006
Rep. Kline, John [R-MN-2]	R · MN		Jun 29, 2006
Rep. Meek, Kendrick B. [D-FL-17]	D · FL		Jun 29, 2006
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		Jun 29, 2006
Rep. Millender-McDonald, Juanita [D-CA-37]	D · CA		Jun 29, 2006
Rep. Owens, Major R. [D-NY-11]	D · NY		Jun 29, 2006
Rep. Pickering, Charles W. "Chip" [R-MS-3]	R · MS		Jun 29, 2006
Rep. Rangel, Charles B. [D-NY-15]	D · NY		Jun 29, 2006
Rep. Reynolds, Thomas M. [R-NY-26]	R · NY		Jun 29, 2006
Rep. Rush, Bobby L. [D-IL-1]	D · IL		Jun 29, 2006
Rep. Towns, Edolphus [D-NY-10]	D · NY		Jun 29, 2006
Rep. Bishop, Sanford D., Jr. [D-GA-2]	D · GA		Jul 13, 2006
Rep. Engel, Eliot L. [D-NY-17]	D · NY		Jul 13, 2006
Rep. Ford, Harold E., Jr. [D-TN-9]	D · TN		Jul 13, 2006
Rep. Higgins, Brian [D-NY-27]	D · NY		Jul 13, 2006
Rep. Pascrell, Bill, Jr. [D-NJ-8]	D · NJ		Jul 13, 2006
Rep. Saxton, Jim [R-NJ-3]	R · NJ		Jul 13, 2006
Rep. Sweeney, John E. [R-NY-20]	R · NY		Jul 13, 2006
Rep. Thompson, Bennie G. [D-MS-2]	D · MS		Jul 13, 2006
Rep. Napolitano, Grace F. [D-CA-38]	D · CA		Jul 20, 2006

### Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Jul 26, 2006
Financial Services Committee	House	Reported By	Jul 20, 2006

### Subjects & Policy Tags

#### Policy Area:

Housing and Community Development

### Related Bills

Bill	Relationship	Last Action
109 S 3535	Related bill	<b>Jun 19, 2006:</b> Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Expanding American Homeownership Act of 2006 - (Sec. 3) Amends the National Housing Act to modify requirements for determining the maximum insurable mortgage amount.

Increases the maximum insurable mortgage amount to the full median house price in a home's area, allowing the Federal Housing Administration (FHA) to insure up to 100% of the Federal Home Loan Mortgage Corporation (FHLMC, or Freddie Mac) conforming loan limit. Increases the minimum loan limit (floor) from 48% to 65% of such limit.

(Sec. 4) Extends the permissible FHA mortgage term from 35 to 40 years.

(Sec. 5) Revises cash downpayment requirements. Repeals the requirement that a minimum of three percent of the estimated acquisition cost be paid down. Authorizes the Secretary of Housing and Urban Development to determine the downpayment amount based on factors commensurate with the likelihood of default.

(Sec. 6) Directs the Secretary to reinstate the current downpayment requirement if defaults increase beyond a specified ratio. Requires the Secretary to make default determinations for each of the five years following enactment of this Act, and report on them annually to Congress, including their effect upon the Mutual Mortgage Insurance Fund (MMIF).

Instructs the Secretary not to count among such defaults any on properties in disaster areas.

(Sec. 7) Authorizes the Secretary to establish, for a mortgage secured by a one- to four-family dwelling, a mortgage insurance premium structure involving a single premium payment collected prior to the insurance of the mortgage or annual payments, subject to specified maximum up-front and annual premium amounts. Allows the premium rate to vary during the mortgage term, as long as the basis for determining the variable rate is established before execution of the mortgage.

Establishes a premium reduction incentive for timely payment of premiums over a five-year period.

Requires prior notice to mortgagees and Congress in order to establish or alter a premium structure.

(Sec. 8) Makes the rehabilitation loan program an obligation of the MMIF instead of the General Insurance Fund (GIF).

(Sec. 9) Revises notification requirements regarding discretionary action taken by the Secretary to suspend or revoke the approval of a mortgagee to participate in FHA programs.

(Sec. 10) Permits the Secretary to insure any mortgage covering a one-family unit in a condominium project if the project has a multifamily blanket mortgage insured by the Secretary.

Redefines mortgage to include a first mortgage given to secure the unpaid purchase price of a fee interest, or long-term leasehold interest, in a one-family unit in a multifamily (condominium) project.

(Sec. 11) Revises requirements governing the MMIF. Sets limitations upon the Secretary's authority to enter into commitments for loan guarantees.

Confers fiduciary responsibility upon the Secretary to ensure that the MMIF remains financially sound.

Directs the Secretary to provide for and report to Congress annually on an independent actuarial study of the MMIF.

Requires quarterly reports to Congress on loan guarantee commitments, loss rates, and projected annual subsidy rates.

Sets forth operation goals of the MMIF, and authorizes the Secretary to make programmatic or premium adjustments for it if such goals are not being met, or if there is a substantial probability that the MMIF will not maintain its target subsidy rate.

Makes obligations of the MMIF insured mortgages used in conjunction with the Homeownership Voucher program and insured home equity conversion mortgages (HECMs, or reverse mortgages).

(Sec. 12) Makes insurance of a Native Hawaiian Home Land or an Indian reservation mortgage the obligation of the MMIF (instead of the GIF).

(Sec. 14) Eliminates the 250,000 limitation upon the aggregate number of HECMs for elderly homeowners insured under the Act.

Establishes the FHLMC conforming loan limit as the maximum HECM amount and maximum claim amount.

Authorizes the Secretary to insure an HECM when its primary purpose is to enable an elderly mortgagor to purchase a one- to four-family dwelling in which the mortgagor will occupy one of the units. Sets the FHLMC conforming loan limit as the maximum principal obligation placed upon an HECM.

Revises the meaning of mortgage relating to a dwelling unit in a residential cooperative housing corporation (RCHC) for HECM insurance purposes. Specifies in such a mortgage a first or subordinate mortgage or lien on all stock allocated to such a dwelling unit, as well as a first mortgage or first lien on a leasehold. Includes in the meaning of a first mortgage a first or subordinate lien on all stock allocated to an RCHC dwelling unit.

Directs the Secretary to study and report to Congress on mortgage insurance premiums for insurance of HECMs regarding: (1) the possible effects on costs to mortgagors and the program's financial soundness of reducing premiums; and (2) the feasibility and effectiveness of exempting from all program requirements any insured HECM under which all or part of future payments to the homeowner are used for a long-term care insurance contract on the mortgagor or family members.

(Sec. 15) Authorizes the Secretary to enter into agreements to insure for up to 36 months mortgages involving a principal obligation of up to 100% of the FHLMC conforming loan limit for a single family residence located in a presidentially declared major disaster area.

(Sec. 16) Redefines mortgagee to allow participation in the federal mortgage insurance program by state-licensed mortgage brokers and correspondent lenders who make, underwrite, or service mortgage loans. Requires a state-licensed mortgage broker or correspondent lender that closes but does not underwrite or service a mortgage to post a surety bond of \$75,000, in lieu of annual audit and net worth requirements, in order also to participate in the program.

(Sec. 17) Expresses the sense of Congress that: (1) the Secretary should use a portion of funds received in excess of claims paid from premiums paid for FHA single family housing mortgage insurance to increase substantially the funding for technology used in the program; (2) the goal of this investment should be to bring such technology up to or exceeding the level and sophistication of the technology used in the conventional mortgage lending market; and (3) the Secretary should report to Congress on the progress the Department is making toward such goal and, if progress is not sufficient, the resources needed to make greater progress.

## Actions Timeline

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- **Jul 26, 2006:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Jul 25, 2006:** Mr. Ney moved to suspend the rules and pass the bill, as amended.
- **Jul 25, 2006:** Considered under suspension of the rules. (consideration: CR H5734-5742)
- **Jul 25, 2006:** DEBATE - The House proceeded with forty minutes of debate on H.R. 5121.
- **Jul 25, 2006:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **Jul 25, 2006:** Considered as unfinished business. (consideration: CR H5813-5814)
- **Jul 25, 2006:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 415 - 7 (Roll no. 400).(text: CR H5734-5738)
- **Jul 25, 2006:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 415 - 7 (Roll no. 400). (text: CR H5734-5738)
- **Jul 25, 2006:** Motion to reconsider laid on the table Agreed to without objection.
- **Jul 20, 2006:** Reported (Amended) by the Committee on Financial Services. H. Rept. 109-589.
- **Jul 20, 2006:** Reported (Amended) by the Committee on Financial Services. H. Rept. 109-589.
- **Jul 20, 2006:** Placed on the Union Calendar, Calendar No. 340.
- **Jun 27, 2006:** Sponsor introductory remarks on measure. (CR H4583)
- **May 24, 2006:** Committee Consideration and Mark-up Session Held.
- **May 24, 2006:** Ordered to be Reported (Amended) by Voice Vote.
- **Apr 6, 2006:** Introduced in House
- **Apr 6, 2006:** Introduced in House
- **Apr 6, 2006:** Referred to the House Committee on Financial Services.