

HR 4889

GSE Bailout Elimination and Taxpayer Protection Act

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Mar 19, 2010

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Mar 19, 2010)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/4889>

Sponsor

Name: Rep. Hensarling, Jeb [R-TX-5]

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

Cosponsors (21 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Akin, W. Todd [R-MO-2]	R · MO		Mar 19, 2010
Rep. Bartlett, Roscoe G. [R-MD-6]	R · MD		Mar 19, 2010
Rep. Duncan, John J., Jr. [R-TN-2]	R · TN		Mar 19, 2010
Rep. Flake, Jeff [R-AZ-6]	R · AZ		Mar 19, 2010
Rep. Garrett, Scott [R-NJ-5]	R · NJ		Mar 19, 2010
Rep. Latta, Robert E. [R-OH-5]	R · OH		Mar 19, 2010
Rep. Marchant, Kenny [R-TX-24]	R · TX		Mar 19, 2010
Rep. Olson, Pete [R-TX-22]	R · TX		Mar 19, 2010
Rep. Pence, Mike [R-IN-6]	R · IN		Mar 19, 2010
Rep. Pitts, Joseph R. [R-PA-16]	R · PA		Mar 19, 2010
Rep. Platts, Todd Russell [R-PA-19]	R · PA		Mar 19, 2010
Rep. Price, Tom [R-GA-6]	R · GA		Mar 19, 2010
Rep. Schmidt, Jean [R-OH-2]	R · OH		Mar 19, 2010
Rep. Smith, Lamar [R-TX-21]	R · TX		Mar 19, 2010
Rep. Bachus, Spencer [R-AL-6]	R · AL		Mar 25, 2010
Rep. Jones, Walter B., Jr. [R-NC-3]	R · NC		Mar 25, 2010
Rep. McClintonck, Tom [R-CA-4]	R · CA		Mar 25, 2010
Rep. Burton, Dan [R-IN-5]	R · IN		Apr 15, 2010
Rep. Sensenbrenner, F. James, Jr. [R-WI-5]	R · WI		Apr 15, 2010
Rep. McCotter, Thaddeus G. [R-MI-11]	R · MI		Apr 22, 2010
Rep. Burgess, Michael C. [R-TX-26]	R · TX		May 13, 2010

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Mar 19, 2010

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

GSE Bailout Elimination and Taxpayer Protection Act - Sets a deadline for the Director of the Federal Housing Finance Agency (FHFA) to terminate the conservatorship of either the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) if the Director determines that it is financially viable. (Refers to both Fannie Mae and Freddie Mac as enterprises.)

Requires the Director to appoint the FHFA immediately as receiver of either enterprise if it is found not to be financially viable.

Amends the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA) to repeal: (1) its housing goals if the Director determines that an enterprise is financially viable; and (2) the new housing price index.

Amends the Housing and Community Development Act of 1992 to restrict the authority of an enterprise to acquire mortgage assets following its emergence from conservatorship.

Increases the minimum capital level required for each enterprise.

Instructs the Director to establish minimum levels of capital for the enterprises. Authorizes the Director to: (1) establish minimum capital levels in excess of levels specified in the FHEFSSA; and (2) deem failure of an enterprise to maintain revised minimum capital levels to constitute an unsafe and unsound condition.

Amends the Continuing Appropriations Resolution, 2010, the American Recovery and Reinvestment Act of 2009, and the Economic Stimulus Act of 2009 to repeal temporary increases to conforming loan limits.

Amends the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act to repeal provisions governing enterprise authority to purchase and sell certain insured and conventional mortgages and to engage in certain lending activities (general limit and permanent high-cost area increases).

Amends the Housing and Economic Recovery Act of 2008 to repeal its conforming loan limits. Prescribes conforming loan limits for conventional mortgages that may be purchased by the enterprises.

Amends the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act to: (1) prohibit the enterprises from purchasing mortgages that exceed the median area price for the affected property; (2) prohibit the enterprises from purchasing mortgages if the mortgagor has paid less than the specified minimum downpayment; and (3) require the enterprises to pay state and local taxes.

Instructs the Director of FHFA to assess each enterprise for the amount necessary to recoup to the federal government the full value of the benefit received from the federal guarantee of its obligations and financial viability.

Directs the Comptroller General to study and report to Congress on a risk-based pricing mechanism to determine accurately the value of the benefit the enterprises receive from the federal guarantee of their obligations and financial viability.

Prescribes a deadline and procedures for the wind down of operations and dissolution of an enterprise.

Actions Timeline

- **Mar 19, 2010:** Introduced in House
- **Mar 19, 2010:** Referred to the House Committee on Financial Services