

HR 1977

FHA Reform Act of 2011

Congress: 112 (2011–2013, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: May 24, 2011

Current Status: Referred to the Subcommittee on Insurance, Housing and Community Opportunity.

Latest Action: Referred to the Subcommittee on Insurance, Housing and Community Opportunity. (Jul 29, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/house-bill/1977>

Sponsor

Name: Rep. Waters, Maxine [D-CA-35]

Party: Democratic • **State:** CA • **Chamber:** House

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Frank, Barney [D-MA-4]	D · MA		May 24, 2011
Rep. Gutierrez, Luis V. [D-IL-4]	D · IL		May 24, 2011

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred to	Jul 29, 2011

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

FHA Reform Act of 2011 - Authorizes the Secretary of Housing and Urban Development (HUD) to require specified mortgagees to indemnify HUD for payment of a mortgage insurance claim if the mortgage was not originated or underwritten in accordance with HUD requirements.

Authorizes the Secretary to require a mortgagee to indemnify HUD for loss regardless of when an insurance claim is paid if fraud or misrepresentation was involved in connection with the mortgage origination or underwriting.

Authorizes the Secretary to terminate approval of a mortgagee to originate or underwrite single family mortgages if the mortgagee's rate of early defaults and claims is excessive.

Establishes within the Federal Housing Administration (FHA) a Deputy Assistant Secretary for Risk Management and Regulatory Affairs responsible for all matters relating to managing and mitigating the risk to HUD mortgage insurance funds and for ensuring the performance of HUD-insured mortgages.

Abolishes the position of the FHA chief risk officer.

Directs the Secretary to review and identify to Congress any mortgagees with a significant or rapid increase in early defaults and claims with respect to all mortgages they have originated on housing located in any particular geographic area or areas.

Directs the Secretary to require mortgagees of HUD-insured single-family or multifamily housing to notify HUD if they terminate or discontinue mortgage purchases from another mortgagee based upon any determination, evidence, or report of fraud or material misrepresentation in connection with the origination of such mortgages.

Prescribes conditions compelling the Secretary to review and reduce certain cash investment requirements (down payment requirements) binding upon mortgages or mortgagors.

Revises eligibility requirements for mortgage insurance, including insurance for a home equity conversion mortgage (reverse mortgage) for elderly homeowners.

Revises requirements for early mortgage default and foreclosure information collected by the Secretary for mortgage lender analysis.

Authorizes the Secretary to reimburse servicers of certain HUD-insured residential mortgages for the costs of obtaining the services of specified independent third parties, including a HUD-approved housing counseling agency, to make in-person contact, at no charge, with mortgagors whose payments are 60 or more days past due, solely to provide specified information.

Directs the Secretary, in providing reimbursements, to give priority to independent third parties serving mortgagors in areas experiencing a mortgage foreclosure rate and unemployment rate higher than the national average.

Revises maximum mortgage amount limits for multifamily housing that includes elevator-type structures with sound standards of construction and design.

Directs the Secretary to provide refunds of unearned premium charges paid at the time of insurance for mortgage insurance to or on behalf of mortgagors under certain mortgages on one-to-four family dwellings.

Actions Timeline

- **Jul 29, 2011:** Referred to the Subcommittee on Insurance, Housing and Community Opportunity.
- **May 24, 2011:** Introduced in House
- **May 24, 2011:** Referred to the House Committee on Financial Services.

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