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FHA Bailout Protection Act of 2011

Congress: 112 (2011–2013, Ended)

Chamber: Senate

Policy Area: Housing and Community Development

Introduced: Dec 15, 2011

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Dec 15, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/senate-bill/1997>

Sponsor

Name: Sen. Vitter, David [R-LA]

Party: Republican • **State:** LA • **Chamber:** Senate

Cosponsors (8 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Cornyn, John [R-TX]	R · TX		Dec 15, 2011
Sen. Crapo, Mike [R-ID]	R · ID		Dec 15, 2011
Sen. DeMint, Jim [R-SC]	R · SC		Dec 15, 2011
Sen. Johanns, Mike [R-NE]	R · NE		Dec 15, 2011
Sen. Lee, Mike [R-UT]	R · UT		Dec 15, 2011
Sen. Paul, Rand [R-KY]	R · KY		Dec 15, 2011
Sen. Risch, James E. [R-ID]	R · ID		Dec 15, 2011
Sen. Toomey, Patrick [R-PA]	R · PA		Dec 15, 2011

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Dec 15, 2011

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

FHA Bailout Protection Act of 2011 - Amends the National Housing Act (NHA) to direct the Secretary of Housing and Urban Development (HUD) to take action to ensure that the Mutual Mortgage Insurance Fund attains and maintains a capital ratio of at least 2%. Includes among such actions: (1) increasing mortgage insurance premiums, (2) establishing more stringent underwriting standards, and (3) increasing the amount of cash (or its equivalent) required to be paid on account of the property subject to a mortgage.

Directs the Secretary to raise annual insurance premiums and charge an additional risk-based annual insurance premium if: (1) the Fund fails to attain a capital ratio of 2% by a specified date or maintain it, or (2) the Fund's expected claims rate as set forth in the quarterly independent actuarial study is 10.0 or higher.

Directs the Secretary to require a mortgagee to indemnify HUD for losses resulting from payment of an insurance claim with respect to a mortgage: (1) executed under the direct endorsement program or insured by the mortgagee pursuant to a delegation of authority, but (2) not originated or underwritten in accordance with HUD requirements. Requires indemnification also in the event that fraud or misrepresentation was involved in an origination or underwriting.

Directs the Secretary of HUD to take any actions required to seek indemnification for any early term delinquency on a mortgage which: (1) is an obligation of the Mutual Mortgage Insurance Fund; and (2) at the time of origination was not in compliance with NHA requirements.

Directs the Secretary of HUD to establish a program to review the cause of each early term delinquency on such a mortgage.

Converts from annual to quarterly the frequency of an independent actuarial study of the Mutual Mortgage Insurance Fund.

Amends the Federal Credit Reform Act of 1990 to prohibit the Secretary of the Treasury from entering into specified transactions with the Mutual Mortgage Insurance Fund.

Actions Timeline

- **Dec 15, 2011:** Introduced in Senate
- **Dec 15, 2011:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.