

## HR 2428

GSE Legal Fee Reduction Act of 2011

**Congress:** 112 (2011–2013, Ended)

**Chamber:** House

**Policy Area:** Housing and Community Development

**Introduced:** Jul 6, 2011

**Current Status:** Referred to the Subcommittee on Capital Markets and Government Sponsored Enterprises.

**Latest Action:** Referred to the Subcommittee on Capital Markets and Government Sponsored Enterprises. (Jul 11, 2011)

**Official Text:** <https://www.congress.gov/bill/112th-congress/house-bill/2428>

### Sponsor

**Name:** Rep. Neugebauer, Randy [R-TX-19]

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

### Cosponsors (5 total)

| Cosponsor                                 | Party / State | Role | Date Joined |
|---|---------------|------|-------------|
| Rep. Bachus, Spencer [R-AL-6]             | R · AL        |      | Jul 6, 2011 |
| Rep. Canseco, Francisco "Quico" [R-TX-23] | R · TX        |      | Jul 6, 2011 |
| Rep. Garrett, Scott [R-NJ-5]              | R · NJ        |      | Jul 6, 2011 |
| Rep. Jones, Walter B., Jr. [R-NC-3]       | R · NC        |      | Jul 6, 2011 |
| Rep. Posey, Bill [R-FL-15]                | R · FL        |      | Jul 6, 2011 |

### Committee Activity

| Committee                    | Chamber | Activity    | Date         |
|------------------------------|---------|-------------|--------------|
| Financial Services Committee | House   | Referred to | Jul 11, 2011 |

### Subjects & Policy Tags

**Policy Area:**

Housing and Community Development

### Related Bills

*No related bills are listed.*

GSE Legal Fee Reduction Act of 2011 - Amends the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 to require the Director of the Federal Housing Finance Agency (FHFA) to establish requirements prescribing the procedures and terms for advancement of amounts by a government-sponsored enterprise (GSE) for qualified indemnification payments for the benefit of any entity-affiliated party.

(The GSEs the FHFA supervises are the Federal National Mortgage Association [Fannie Mae], the Federal Home Loan Mortgage Corporation [Freddie Mac], the Federal Home Loan Banks, and the Office of Finance.)

Requires the Director to require any GSE obligated to make such a payment to propose criteria for determining whether the liability or legal expenses for which such payment is to be made are reasonable. Requires prompt review and approval or disapproval of such proposed criteria.

Requires the Director to require each GSE to adopt bylaws requiring any entity-affiliated party accused of fraud, moral turpitude, or breach of fiduciary duty to post collateral, security, bonding or other assurances of repayment.

Requires the Director to prohibit a GSE from using any Treasury funds to satisfy any settlement, judgment, order, or penalty. Requires settlement costs to be satisfied out of the sale of GSE assets.

Requires the Director to prohibit a GSE from entering into any consent decree or settlement of a claim, proceeding, or action involving an entity-affiliated party that will result in any qualified indemnification payments exceeding an aggregate of \$1 million before 30 days after notice of the decree or settlement to specified congressional committees.

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### **Actions Timeline**

- **Jul 11, 2011:** Referred to the Subcommittee on Capital Markets and Government Sponsored Enterprises.
- **Jul 6, 2011:** Introduced in House
- **Jul 6, 2011:** Referred to the House Committee on Financial Services.
- **May 25, 2011:** Hearings Held by the Subcommittee on Capital Markets and Government Sponsored Enterprises Prior to Introduction and Referral.