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**AMENDMENT TO H.R. 1852, AS REPORTED
OFFERED BY MRS. BIGGERT OF ILLINOIS**

Page 64, strike lines 6 through 13 and insert the following:

1 (4) ADJUSTMENTS TO SINGLE FAMILY HOUSING
2 MORTGAGE INSURANCE RESERVES AND PRE-
3 MIUMS.—For each fiscal year, for the following pur-
4 poses with respect to the single family housing mort-
5 gage insurance programs under title II of the Na-
6 tional Housing Act :

7 (A) RESERVES.—For making such adjust-
8 ments as necessary to the amounts held in re-
9 serve for such programs, and to the method of
10 determining such amounts, such that the re-
11 serve amounts held for such programs will be
12 consistent with the determination made pursu-
13 ant to subsection (e)(1)(A).

14 (B) PREMIUMS.—For restructuring the
15 premiums for single family housing mortgage
16 insurance under such programs in a manner
17 such that—

18 (i) the aggregate receipts from such
19 premiums are reduced; and

1 (ii) the resulting applicable premium
2 charges are consistent with the appropriate
3 premium amounts determined pursuant to
4 subsection (e) (1)(B).

Page 66, after line 3, insert the following new sub-
section:

5 (e) ANNUAL STUDY AND REPORT REGARDING AP-
6 PROPRIATE RESERVES AND INSURANCE PREMIUMS.—

7 (1) ANNUAL STUDY.—Before the commence-
8 ment of each fiscal year, the Secretary of Housing
9 and Urban Development shall conduct a study of the
10 single family housing mortgage insurance programs
11 under title II of the National Housing Act to deter-
12 mine the following:

13 (A) APPROPRIATE RESERVES.—The
14 amounts, and a method of determining such
15 amounts, that are appropriate to be held in re-
16 serve for such programs to ensure that such
17 programs—

18 (i) are operated in a safe and sound
19 manner; and

20 (ii) comply with the operational goals
21 and the requirements under such title for
22 such programs.

1 (B) APPROPRIATE INSURANCE PRE-
2 MIUMS.—The appropriate premium amounts to
3 charge for such mortgage insurance, that com-
4 ply with the requirements of such title and are
5 sufficient to provide for—

6 (i) maintaining an appropriate reserve
7 amount for such programs, as determined
8 by the Secretary pursuant to subparagraph
9 (A); and

10 (ii) operation of such programs in
11 compliance with clauses (i) and (ii) of sub-
12 paragraph (A).

13 (2) REPORT AND ADJUSTMENTS.—Before the
14 commencement of each fiscal year, the Secretary
15 shall submit to the Congress a report setting forth
16 the findings and conclusions of the study under
17 paragraph (1) for such fiscal year, including specific
18 determinations for appropriate reserve and premium
19 amounts pursuant to subparagraphs (A) and (B),
20 respectively, of paragraph (1). The report shall also
21 set forth any adjustments made, or to be made,
22 under paragraph (4) of subsection (a) pursuant to
23 such determinations.