

AMENDMENT TO H.R. 5072, AS REPORTED
OFFERED BY MS. BEAN OF ILLINOIS

At the end of the bill, add the following new section:

1 **SEC. 16. AUTHORITY TO ESTABLISH HIGHER MINIMUM**
2 **CASH INVESTMENT REQUIREMENT.**

3 (a) **AUTHORITY.**—Paragraph (9) of section 203(b) of
4 the National Housing Act (12 U.S.C. 1709(b)(9)) is
5 amended by adding at the end the following new subpara-
6 graph:

7 “(D) **AUTHORITY TO ESTABLISH HIGHER**
8 **MINIMUM REQUIREMENT.**—The Secretary may
9 establish a higher minimum cash investment re-
10 quirement than the minimum requirement
11 under subsection (a), for all mortgagors or a
12 certain class or classes of mortgagors, which
13 may be based on criteria related to borrowers’
14 credit scores or other industry standards re-
15 lated to borrowers’ financial soundness. In es-
16 tablishing such a higher minimum cash invest-
17 ment requirement, the Secretary shall take into
18 consideration the findings of the most recent
19 annual report to the Congress on minimum

1 cash investments pursuant to section 16(b) of
2 the FHA Reform Act of 2010.”.

3 (b) REPORT.—Not later than the expiration of the
4 12-month period beginning on the date of the enactment
5 of this Act and annually thereafter, the Secretary of Hous-
6 ing and Urban Development shall submit to the Com-
7 mittee on Financial Services of the House of Representa-
8 tives and the Committee on Banking, Housing, and Urban
9 Affairs of the Senate a report detailing the implementa-
10 tion of the minimum cash investment requirements under
11 section 203(b)(9) of the National Housing Act (12 U.S.C.
12 1709(b)(9)) and discussing and analyzing options for pro-
13 posed changes to such requirements, including changes
14 that would take into account borrowers’ credit scores or
15 other industry standards related to borrowers’ financial
16 soundness. Such report shall—

17 (1) analyze the impacts that any actual or pro-
18 posed such changes are projected to have on—

19 (A) the financial soundness of the Mutual
20 Mortgage Insurance Fund;

21 (B) the housing finance market of the
22 United States; and

23 (C) the number of borrowers served by the
24 Federal Housing Administration;

1 (2) explain the reasons for any actual or pro-
2 posed such changes in the such requirements made
3 since the last report under this subsection;

4 (3) evaluate the impact of any actual or pro-
5 posed such changes in such requirements on the Mu-
6 tual Mortgage Insurance Fund;

7 (4) evaluate the impacts of any actual or pro-
8 posed such changes on potential mortgagors under
9 mortgages on one- to four-family dwellings insured
10 by the Secretary under the National Housing Act;
11 and

12 (5) evaluate the impact of any actual or pro-
13 posed such changes on the soundness of the housing
14 market in the United States.

