

AMENDMENT NO. _____ Calendar No. _____

Purpose: To revise the eligibility criteria for the 2008 recovery rebates for individuals.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

H. R. 5140

To provide economic stimulus through recovery rebates to individuals, incentives for business investment, and an increase in conforming and FHA loan limits.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by _____

Viz:

1 Strike all after the enacting clause and insert the following:
2

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Economic Stimulus Act of 2008”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—RECOVERY REBATES AND INCENTIVES FOR BUSINESS INVESTMENT

Sec. 101. 2008 recovery rebates for individuals.

Sec. 102. Temporary increase in limitations on expensing of certain depreciable business assets.

Sec. 103. Special allowance for certain property acquired during 2008.

TITLE II—HOUSING GSE AND FHA LOAN LIMITS

Sec. 201. Temporary conforming loan limit increase for Fannie Mae and Freddie Mac.

Sec. 202. Temporary loan limit increase for FHA.

TITLE III—EMERGENCY DESIGNATION

Sec. 301. Emergency designation.

1 **TITLE I—RECOVERY REBATES** 2 **AND INCENTIVES FOR BUSI-** 3 **NESS INVESTMENT**

4 **SEC. 101. 2008 RECOVERY REBATES FOR INDIVIDUALS.**

5 (a) IN GENERAL.—Section 6428 of the Internal Rev-
6 enue Code of 1986 is amended to read as follows:

7 **“SEC. 6428. 2008 RECOVERY REBATES FOR INDIVIDUALS.**

8 “(a) IN GENERAL.—In the case of an eligible indi-
9 vidual, there shall be allowed as a credit against the tax
10 imposed by subtitle A for the first taxable year beginning
11 in 2008 an amount equal to the lesser of—

12 “(1) net income tax liability, or

13 “(2) \$600 (\$1,200 in the case of a joint re-
14 turn).

15 “(b) SPECIAL RULES.—

16 “(1) IN GENERAL.—In the case of a taxpayer
17 described in paragraph (2)—

18 “(A) the amount determined under sub-
19 section (a) shall not be less than \$300 (\$600 in
20 the case of a joint return), and

1 “(B) the amount determined under sub-
2 section (a) (after the application of subpara-
3 graph (A)) shall be increased by the product of
4 \$300 multiplied by the number of qualifying
5 children (within the meaning of section 24(e))
6 of the taxpayer.

7 “(2) TAXPAYER DESCRIBED.—A taxpayer is de-
8 scribed in this paragraph if the taxpayer—

9 “(A) has qualifying income of at least
10 \$3,000, or

11 “(B) has—

12 “(i) net income tax liability which is
13 greater than zero, and

14 “(ii) gross income which is greater
15 than the sum of the basic standard deduc-
16 tion plus the exemption amount (twice the
17 exemption amount in the case of a joint re-
18 turn).

19 “(c) TREATMENT OF CREDIT.—The credit allowed by
20 subsection (a) shall be treated as allowed by subpart C
21 of part IV of subchapter A of chapter 1.

22 “(d) LIMITATION BASED ON ADJUSTED GROSS IN-
23 COME.—The amount of the credit allowed by subsection
24 (a) (determined without regard to this subsection and sub-
25 section (f)) shall be reduced (but not below zero) by 5 per-

1 cent of so much of the taxpayer's adjusted gross income
2 as exceeds \$75,000 (\$150,000 in the case of a joint re-
3 turn).

4 “(e) DEFINITIONS.—For purposes of this section—

5 “(1) QUALIFYING INCOME.—The term ‘quali-
6 fying income’ means—

7 “(A) earned income,

8 “(B) social security benefits (within the
9 meaning of section 86(d)), and

10 “(C) any compensation or pension received
11 under chapter 11, chapter 13, or chapter 15 of
12 title 38, United States Code.

13 “(2) NET INCOME TAX LIABILITY.—The term
14 ‘net income tax liability’ means the excess of—

15 “(A) the sum of the taxpayer's regular tax
16 liability (within the meaning of section 26(b))
17 and the tax imposed by section 55 for the tax-
18 able year, over

19 “(B) the credits allowed by part IV (other
20 than section 24 and subpart C thereof) of sub-
21 chapter A of chapter 1.

22 “(3) ELIGIBLE INDIVIDUAL.—The term ‘eligible
23 individual’ means any individual other than—

24 “(A) any nonresident alien individual,

1 “(B) any individual with respect to whom
2 a deduction under section 151 is allowable to
3 another taxpayer for a taxable year beginning
4 in the calendar year in which the individual’s
5 taxable year begins, and

6 “(C) an estate or trust.

7 “(4) EARNED INCOME.—The term ‘earned in-
8 come’ has the meaning set forth in section 32(e)(2)
9 except that—

10 “(A) subclause (II) of subparagraph
11 (B)(vi) thereof shall be applied by substituting
12 ‘January 1, 2009’ for ‘January 1, 2008’, and

13 “(B) such term shall not include net earn-
14 ings from self-employment which are not taken
15 into account in computing taxable income.

16 “(5) BASIC STANDARD DEDUCTION; EXEMPTION
17 AMOUNT.—The terms ‘basic standard deduction’ and
18 ‘exemption amount’ shall have the same respective
19 meanings as when used in section 6012(a).

20 “(f) COORDINATION WITH ADVANCE REFUNDS OF
21 CREDIT.—

22 “(1) IN GENERAL.—The amount of credit
23 which would (but for this paragraph) be allowable
24 under this section shall be reduced (but not below
25 zero) by the aggregate refunds and credits made or

1 allowed to the taxpayer under subsection (g). Any
2 failure to so reduce the credit shall be treated as
3 arising out of a mathematical or clerical error and
4 assessed according to section 6213(b)(1).

5 “(2) JOINT RETURNS.—In the case of a refund
6 or credit made or allowed under subsection (g) with
7 respect to a joint return, half of such refund or cred-
8 it shall be treated as having been made or allowed
9 to each individual filing such return.

10 “(g) ADVANCE REFUNDS AND CREDITS.—

11 “(1) IN GENERAL.—Each individual who was
12 an eligible individual for such individual’s first tax-
13 able year beginning in 2007 shall be treated as hav-
14 ing made a payment against the tax imposed by
15 chapter 1 for such first taxable year in an amount
16 equal to the advance refund amount for such taxable
17 year.

18 “(2) ADVANCE REFUND AMOUNT.—For pur-
19 poses of paragraph (1), the advance refund amount
20 is the amount that would have been allowed as a
21 credit under this section for such first taxable year
22 if this section (other than subsection (f) and this
23 subsection) had applied to such taxable year.

24 “(3) TIMING OF PAYMENTS.—The Secretary
25 shall, subject to the provisions of this title, refund

1 or credit any overpayment attributable to this sec-
2 tion as rapidly as possible. No refund or credit shall
3 be made or allowed under this subsection after De-
4 cember 31, 2008.

5 “(4) NO INTEREST.—No interest shall be al-
6 lowed on any overpayment attributable to this sec-
7 tion.

8 “(h) IDENTIFICATION NUMBER REQUIREMENT.—

9 “(1) IN GENERAL.—No credit shall be allowed
10 under subsection (a) to an eligible individual who
11 does not include on the return of tax for the taxable
12 year—

13 “(A) such individual’s valid identification
14 number,

15 “(B) in the case of a joint return, the valid
16 identification number of such individual’s
17 spouse, and

18 “(C) in the case of any qualifying child
19 taken into account under subsection (b)(1)(B),
20 the valid identification number of such quali-
21 fying child.

22 “(2) VALID IDENTIFICATION NUMBER.—For
23 purposes of paragraph (1), the term ‘valid identifica-
24 tion number’ means a social security number issued
25 to an individual by the Social Security Administra-

1 tion. Such term shall not include a TIN issued by
2 the Internal Revenue Service.”.

3 (b) ADMINISTRATIVE AMENDMENTS.—

4 (1) DEFINITION OF DEFICIENCY.—Section
5 6211(b)(4)(A) of the Internal Revenue Code of 1986
6 is amended by striking “and 53(e)” and inserting
7 “53(e), and 6428”.

8 (2) MATHEMATICAL OR CLERICAL ERROR AU-
9 THORITY.—Section 6213(g)(2)(L) of such Code is
10 amended by striking “or 32” and inserting “32, or
11 6428”.

12 (c) TREATMENT OF POSSESSIONS.—

13 (1) PAYMENTS TO POSSESSIONS.—

14 (A) MIRROR CODE POSSESSION.—The Sec-
15 retary of the Treasury shall make a payment to
16 each possession of the United States with a
17 mirror code tax system in an amount equal to
18 the loss to that possession by reason of the
19 amendments made by this section. Such amount
20 shall be determined by the Secretary of the
21 Treasury based on information provided by the
22 government of the respective possession.

23 (B) OTHER POSSESSIONS.—The Secretary
24 of the Treasury shall make a payment to each
25 possession of the United States which does not

1 have a mirror code tax system in an amount es-
2 timated by the Secretary of the Treasury as
3 being equal to the aggregate benefits that would
4 have been provided to residents of such posses-
5 sion by reason of the amendments made by this
6 section if a mirror code tax system had been in
7 effect in such possession. The preceding sen-
8 tence shall not apply with respect to any posses-
9 sion of the United States unless such possession
10 has a plan, which has been approved by the
11 Secretary of the Treasury, under which such
12 possession will promptly distribute such pay-
13 ment to the residents of such possession.

14 (2) COORDINATION WITH CREDIT ALLOWED
15 AGAINST UNITED STATES INCOME TAXES.—No cred-
16 it shall be allowed against United States income
17 taxes under section 6428 of the Internal Revenue
18 Code of 1986 (as amended by this section) to any
19 person—

20 (A) to whom a credit is allowed against
21 taxes imposed by the possession by reason of
22 the amendments made by this section, or

23 (B) who is eligible for a payment under a
24 plan described in paragraph (1)(B).

25 (3) DEFINITIONS AND SPECIAL RULES.—

1 (A) POSSESSION OF THE UNITED
2 STATES.—For purposes of this subsection, the
3 term “possession of the United States” includes
4 the Commonwealth of Puerto Rico and the
5 Commonwealth of the Northern Mariana Is-
6 lands.

7 (B) MIRROR CODE TAX SYSTEM.—For pur-
8 poses of this subsection, the term “mirror code
9 tax system” means, with respect to any posses-
10 sion of the United States, the income tax sys-
11 tem of such possession if the income tax liabil-
12 ity of the residents of such possession under
13 such system is determined by reference to the
14 income tax laws of the United States as if such
15 possession were the United States.

16 (C) TREATMENT OF PAYMENTS.—For pur-
17 poses of section 1324(b)(2) of title 31, United
18 States Code, the payments under this sub-
19 section shall be treated in the same manner as
20 a refund due from the credit allowed under sec-
21 tion 6428 of the Internal Revenue Code of 1986
22 (as amended by this section).

23 (d) REFUNDS DISREGARDED IN THE ADMINISTRA-
24 TION OF FEDERAL PROGRAMS AND FEDERALLY AS-
25 SISTED PROGRAMS.—Any credit or refund allowed or

1 made to any individual by reason of section 6428 of the
2 Internal Revenue Code of 1986 (as amended by this sec-
3 tion) or by reason of subsection (c) of this section shall
4 not be taken into account as income and shall not be taken
5 into account as resources for the month of receipt and the
6 following 2 months, for purposes of determining the eligi-
7 bility of such individual or any other individual for benefits
8 or assistance, or the amount or extent of benefits or assist-
9 ance, under any Federal program or under any State or
10 local program financed in whole or in part with Federal
11 funds.

12 (e) APPROPRIATIONS TO CARRY OUT REBATES.—

13 (1) IN GENERAL.—Immediately upon the enact-
14 ment of this Act, the following sums are appro-
15 priated, out of any money in the Treasury not other-
16 wise appropriated, for the fiscal year ending Sep-
17 tember 30, 2008:

18 (A) DEPARTMENT OF TREASURY.—

19 (i) For an additional amount for “De-
20 partment of the Treasury—Financial Man-
21 agement Service—Salaries and Expenses”,
22 \$64,175,000, to remain available until
23 September 30, 2009.

24 (ii) For an additional amount for
25 “Department of the Treasury—Internal

1 Revenue Service—Taxpayer Services”,
2 \$50,720,000, to remain available until
3 September 30, 2009.

4 (iii) For an additional amount for
5 “Department of the Treasury—Internal
6 Revenue Service—Operations Support”,
7 \$151,415,000, to remain available until
8 September 30, 2009.

9 (B) SOCIAL SECURITY ADMINISTRATION.—
10 For an additional amount for “Social Security
11 Administration—Limitation on Administrative
12 Expenses”, \$31,000,000, to remain available
13 until September 30, 2008.

14 (2) REPORTS.—No later than 15 days after en-
15 actment of this Act, the Secretary of the Treasury
16 shall submit a plan to the Committees on Appropria-
17 tions of the House of Representatives and the Sen-
18 ate detailing the expected use of the funds provided
19 by paragraph (1)(A). Beginning 90 days after enact-
20 ment of this Act, the Secretary of the Treasury shall
21 submit a quarterly report to the Committees on Ap-
22 propriations of the House of Representatives and the
23 Senate detailing the actual expenditure of funds pro-
24 vided by paragraph (1)(A) and the expected expendi-
25 ture of such funds in the subsequent quarter.

1 (f) CONFORMING AMENDMENTS.—

2 (1) Paragraph (2) of section 1324(b) of title
3 31, United States Code, is amended by inserting “or
4 6428” after “section 35”.

5 (2) Paragraph (1) of section 1(i) of the Internal
6 Revenue Code of 1986 is amended by striking sub-
7 paragraph (D).

8 (3) The item relating to section 6428 in the
9 table of sections for subchapter B of chapter 65 of
10 such Code is amended to read as follows:

“Sec. 6428. 2008 recovery rebates for individuals.”.

11 **SEC. 102. TEMPORARY INCREASE IN LIMITATIONS ON EX-**
12 **PENSING OF CERTAIN DEPRECIABLE BUSI-**
13 **NESS ASSETS.**

14 (a) IN GENERAL.—Subsection (b) of section 179 of
15 the Internal Revenue Code of 1986 (relating to limita-
16 tions) is amended by adding at the end the following new
17 paragraph:

18 “(7) INCREASE IN LIMITATIONS FOR 2008.—In
19 the case of any taxable year beginning in 2008—

20 “(A) the dollar limitation under paragraph

21 (1) shall be \$250,000,

22 “(B) the dollar limitation under paragraph

23 (2) shall be \$800,000, and

1 “(C) the amounts described in subpara-
2 graphs (A) and (B) shall not be adjusted under
3 paragraph (5).”.

4 (b) EFFECTIVE DATE.—The amendment made by
5 this section shall apply to taxable years beginning after
6 December 31, 2007.

7 **SEC. 103. SPECIAL ALLOWANCE FOR CERTAIN PROPERTY**
8 **ACQUIRED DURING 2008.**

9 (a) IN GENERAL.—Subsection (k) of section 168 of
10 the Internal Revenue Code of 1986 (relating to special al-
11 lowance for certain property acquired after September 10,
12 2001, and before January 1, 2005) is amended—

13 (1) by striking “September 10, 2001” each
14 place it appears and inserting “December 31,
15 2007”,

16 (2) by striking “September 11, 2001” each
17 place it appears and inserting “January 1, 2008”,

18 (3) by striking “January 1, 2005” each place
19 it appears and inserting “January 1, 2009”, and

20 (4) by striking “January 1, 2006” each place
21 it appears and inserting “January 1, 2010”.

22 (b) 50 PERCENT ALLOWANCE.—Subparagraph (A) of
23 section 168(k)(1) of such Code is amended by striking “30
24 percent” and inserting “50 percent”.

25 (c) CONFORMING AMENDMENTS.—

1 (1) Subclause (I) of section 168(k)(2)(B)(i) of
2 such Code is amended by striking “and (iii)” and in-
3 sserting “(iii), and (iv)”.

4 (2) Subclause (IV) of section 168(k)(2)(B)(i) of
5 such Code is amended by striking “clauses (ii) and
6 (iii)” and inserting “clause (iii)”.

7 (3) Clause (i) of section 168(k)(2)(C) of such
8 Code is amended by striking “and (iii)” and insert-
9 ing “, (iii), and (iv)”.

10 (4) Clause (i) of section 168(k)(2)(F) of such
11 Code is amended by striking “\$4,600” and inserting
12 “\$8,000”.

13 (5)(A) Subsection (k) of section 168 of such
14 Code is amended by striking paragraph (4).

15 (B) Clause (iii) of section 168(k)(2)(D) of such
16 Code is amended by striking the last sentence.

17 (6) Paragraph (4) of section 168(l) of such
18 Code is amended by redesignating subparagraphs
19 (A), (B), and (C) as subparagraphs (B), (C), and
20 (D) and inserting before subparagraph (B) (as so
21 redesignated) the following new subparagraph:

22 “(A) BONUS DEPRECIATION PROPERTY
23 UNDER SUBSECTION (K).—Such term shall not
24 include any property to which section 168(k)
25 applies.”.

1 (7) Paragraph (5) of section 168(l) of such
2 Code is amended—

3 (A) by striking “September 10, 2001” in
4 subparagraph (A) and inserting “December 31,
5 2007”, and

6 (B) by striking “January 1, 2005” in sub-
7 paragraph (B) and inserting “January 1,
8 2009”.

9 (8) Subparagraph (D) of section 1400L(b)(2)
10 of such Code is amended by striking “January 1,
11 2005” and inserting “January 1, 2010”.

12 (9) Paragraph (3) of section 1400N(d) of such
13 Code is amended—

14 (A) by striking “September 10, 2001” in
15 subparagraph (A) and inserting “December 31,
16 2007”, and

17 (B) by striking “January 1, 2005” in sub-
18 paragraph (B) and inserting “January 1,
19 2009”.

20 (10) Paragraph (6) of section 1400N(d) of such
21 Code is amended by adding at the end the following
22 new subparagraph:

23 “(E) EXCEPTION FOR BONUS DEPRECIATION
24 PROPERTY UNDER SECTION 168(k).—The
25 term ‘specified Gulf Opportunity Zone extension

1 property' shall not include any property to
2 which section 168(k) applies.”.

3 (11) The heading for subsection (k) of section
4 168 of such Code is amended—

5 (A) by striking “SEPTEMBER 10, 2001”
6 and inserting “DECEMBER 31, 2007”, and

7 (B) by striking “JANUARY 1, 2005” and
8 inserting “JANUARY 1, 2009”.

9 (12) The heading for clause (ii) of section
10 168(k)(2)(B) of such Code is amended by striking
11 “PRE-JANUARY 1, 2005” and inserting “PRE-JANU-
12 ARY 1, 2009”.

13 (d) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to property placed in service after
15 December 31, 2007, in taxable years ending after such
16 date.

17 **TITLE II—HOUSING GSE AND**
18 **FHA LOAN LIMITS**

19 **SEC. 201. TEMPORARY CONFORMING LOAN LIMIT IN-**
20 **CREASE FOR FANNIE MAE AND FREDDIE**
21 **MAC.**

22 (a) INCREASE OF HIGH COST AREAS LIMITS FOR
23 HOUSING GSEs.—For mortgages originated during the
24 period beginning on July 1, 2007, and ending at the end
25 of December 31, 2008:

1 (1) FANNIE MAE.—With respect to the Federal
2 National Mortgage Association, notwithstanding sec-
3 tion 302(b)(2) of the Federal National Mortgage As-
4 sociation Charter Act (12 U.S.C. 1717(b)(2)), the
5 limitation on the maximum original principal obliga-
6 tion of a mortgage that may be purchased by the
7 Association shall be the higher of—

8 (A) the limitation for 2008 determined
9 under such section 302(b)(2) for a residence of
10 the applicable size; or

11 (B) 125 percent of the area median price
12 for a residence of the applicable size, but in no
13 case to exceed 175 percent of the limitation for
14 2008 determined under such section 302(b)(2)
15 for a residence of the applicable size.

16 (2) FREDDIE MAC.—With respect to the Fed-
17 eral Home Loan Mortgage Corporation, notwith-
18 standing section 305(a)(2) of the Federal Home
19 Loan Mortgage Corporation Act (12 U.S.C.
20 1454(a)(2)), the limitation on the maximum original
21 principal obligation of a mortgage that may be pur-
22 chased by the Corporation shall be the higher of—

23 (A) the limitation determined for 2008
24 under such section 305(a)(2) for a residence of
25 the applicable size; or

1 (B) 125 percent of the area median price
2 for a residence of the applicable size, but in no
3 case to exceed 175 percent of the limitation de-
4 termined for 2008 under such section 305(a)(2)
5 for a residence of the applicable size.

6 (b) DETERMINATION OF LIMITS.—The areas and
7 area median prices used for purposes of the determina-
8 tions under subsection (a) shall be the areas and area me-
9 dian prices used by the Secretary of Housing and Urban
10 Development in determining the applicable limits under
11 section 202 of this title.

12 (c) RULE OF CONSTRUCTION.—A mortgage origi-
13 nated during the period referred to in subsection (a) that
14 is eligible for purchase by the Federal National Mortgage
15 Association or the Federal Home Loan Mortgage Corpora-
16 tion pursuant to this section shall be eligible for such pur-
17 chase for the duration of the term of the mortgage, not-
18 withstanding that such purchase occurs after the expira-
19 tion of such period.

20 (d) EFFECT ON HOUSING GOALS.—Notwithstanding
21 any other provision of law, mortgages purchased in ac-
22 cordance with the increased maximum original principal
23 obligation limitations determined pursuant to this section
24 shall not be considered in determining performance with
25 respect to any of the housing goals established under sec-

1 tion 1332, 1333, or 1334 of the Housing and Community
2 Development Act of 1992 (12 U.S.C. 4562–4), and shall
3 not be considered in determining compliance with such
4 goals pursuant to section 1336 of such Act (12 U.S.C.
5 4566) and regulations, orders, or guidelines issued there-
6 under.

7 (e) SENSE OF CONGRESS.—It is the sense of the Con-
8 gress that the securitization of mortgages by the Federal
9 National Mortgage Association and the Federal Home
10 Loan Mortgage Corporation plays an important role in
11 providing liquidity to the United States housing markets.
12 Therefore, the Congress encourages the Federal National
13 Mortgage Association and the Federal Home Loan Mort-
14 gage Corporation to securitize mortgages acquired under
15 the increased conforming loan limits established in this
16 section, to the extent that such securitizations can be ef-
17 fected in a timely and efficient manner that does not im-
18 pose additional costs for mortgages originated, purchased,
19 or securitized under the existing limits or interfere with
20 the goal of adding liquidity to the market.

21 **SEC. 202. TEMPORARY LOAN LIMIT INCREASE FOR FHA.**

22 (a) INCREASE OF HIGH-COST AREA LIMIT.—For
23 mortgages for which the mortgagee has issued credit ap-
24 proval for the borrower on or before December 31, 2008,
25 subparagraph (A) of section 203(b)(2) of the National

1 Housing Act (12 U.S.C. 1709(b)(2)(A)) shall be consid-
2 ered (except for purposes of section 255(g) of such Act
3 (12 U.S.C. 1715z-20(g))) to require that a mortgage shall
4 involve a principal obligation in an amount that does not
5 exceed the lesser of—

6 (1) in the case of a 1-family residence, 125 per-
7 cent of the median 1-family house price in the area,
8 as determined by the Secretary; and in the case of
9 a 2-, 3-, or 4-family residence, the percentage of
10 such median price that bears the same ratio to such
11 median price as the dollar amount limitation deter-
12 mined for 2008 under section 305(a)(2) of the Fed-
13 eral Home Loan Mortgage Corporation Act (12
14 U.S.C. 1454(a)(2)) for a 2-, 3-, or 4-family resi-
15 dence, respectively, bears to the dollar amount limi-
16 tation determined for 2008 under such section for a
17 1-family residence; or

18 (2) 175 percent of the dollar amount limitation
19 determined for 2008 under such section 305(a)(2)
20 for a residence of the applicable size (without regard
21 to any authority to increase such limitation with re-
22 spect to properties located in Alaska, Guam, Hawaii,
23 or the Virgin Islands);

24 except that the dollar amount limitation in effect under
25 this subsection for any size residence for any area shall

1 not be less than the greater of (A) the dollar amount limi-
2 tation in effect under such section 203(b)(2) for the area
3 on October 21, 1998; or (B) 65 percent of the dollar
4 amount limitation determined for 2008 under such section
5 305(a)(2) for a residence of the applicable size. Any ref-
6 erence in this subsection to dollar amount limitations in
7 effect under section 305 (a)(2) of the Federal Home Loan
8 Mortgage Corporation Act means such limitations as in
9 effect without regard to any increase in such limitation
10 pursuant to section 201 of this title.

11 (b) DISCRETIONARY AUTHORITY.—If the Secretary
12 of Housing and Urban Development determines that mar-
13 ket conditions warrant such an increase, the Secretary
14 may, for the period that begins upon the date of the enact-
15 ment of this Act and ends at the end of the date specified
16 in subsection (a), increase the maximum dollar amount
17 limitation determined pursuant to subsection (a) with re-
18 spect to any particular size or sizes of residences, or with
19 respect to residences located in any particular area or
20 areas, to an amount that does not exceed the maximum
21 dollar amount then otherwise in effect pursuant to sub-
22 section (a) for such size residence, or for such area (if
23 applicable), by not more than \$100,000.

24 (c) PUBLICATION OF AREA MEDIAN PRICES AND
25 LOAN LIMITS.—The Secretary of Housing and Urban De-

1 velopment shall publish the median house prices and mort-
2 gage principal obligation limits, as revised pursuant to this
3 section, for all areas as soon as practicable, but in no case
4 more than 30 days after the date of the enactment of this
5 Act. With respect to existing areas for which the Secretary
6 has not established area median prices before such date
7 of enactment, the Secretary may rely on existing commer-
8 cial data in determining area median prices and calcu-
9 lating such revised principal obligation limits.

10 **TITLE III—EMERGENCY**
11 **DESIGNATION**

12 **SEC. 301. EMERGENCY DESIGNATION.**

13 For purposes of Senate enforcement, all provisions of
14 this Act are designated as emergency requirements and
15 necessary to meet emergency needs pursuant to section
16 204 of S. Con. Res. 21 (110th Congress), the concurrent
17 resolution on the budget for fiscal year 2008.