

AMENDMENT TO H.R. 1427
OFFERED BY MR. GARRETT OF NEW JERSEY
[portfolio guidelines]

Page 54, after line 17, insert the following new section (and redesignate succeeding sections and any references to such sections, accordingly):

1 **SEC. 114. PORTFOLIO GUIDELINES.**

2 Subtitle B of title XIII of the Housing and Commu-
3 nity Development Act of 1992 (12 U.S.C. 4611 et seq.),
4 as amended by section 113, is further amended by adding
5 at the end the following new section:

6 **“SEC. 1369F. PORTFOLIO GUIDELINES.**

7 “(a) **AFFORDABLE HOUSING REQUIREMENT.**—In
8 order for the enterprises to meet their mission of providing
9 for and promoting affordable housing, the Director shall
10 require the enterprises to only hold, in their retained port-
11 folios, mortgages and mortgage-backed securities that ex-
12 clusively support affordable housing, and particularly
13 mortgages extended to households having incomes below
14 the median income for the area in which the property sub-
15 ject to the mortgage is located.

16 “(b) **MORTGAGE-RELATED ASSETS LIMITATION.**—
17 The enterprises may purchase and retain mortgage-related

1 assets only to the extent that the Director determines such
2 actions are necessary for the enterprise to maintain a liq-
3 uid secondary mortgage market in a manner that cannot
4 be achieved through the activities described in subsection
5 (a) and are consistent with the public interest.”.