

*Bachus
2nd degree*

AMENDMENT TO H.R. 31

OFFERED BY MR. MILLER OF NORTH CAROLINA

Add at the end the following new section:

1 **SEC. 4. LOSS MITIGATION STUDY.**

2 (a) STUDY.—The Inspector General of the Federal
3 Housing Finance Agency shall carry out a study to exam-
4 ine—

5 (1) the Federal Housing Finance Agency's loss
6 mitigation policies, including ~~the failure to instruct~~ *the adequacy of industry* ✓
7 the Federal National Mortgage Association and the
8 Federal Home Loan Mortgage Corporation to pur-
9 sue consistently principal reduction as a loss mitiga-
10 tion tool; and

11 (2) the impact of ~~such policies on~~ *principal reduction as a*
loss mitigation
tool on ✓

12 (A) losses to taxpayers through the Fed-
13 eral National Mortgage Association and the
14 Federal Home Loan Mortgage Corporation;

15 (B) the nationwide rate of foreclosure; ~~and~~ ✓

16 (C) the continued decline of housing prices; ~~and~~ ✓

~~and~~ *(D) the nature of strategic defaults*
17 in the United States.

18 (b) REPORT.—Not later than the end of the 3-month
19 period beginning on the date of the enactment of this Act,
20 the Inspector General of the Federal Housing Finance

- 1 Agency shall issue a report to the Congress containing also
- 2 findings and determinations made in carrying out the
- 3 study required under subsection (a).

