

[Discussion Draft]
AMENDMENT TO H.R. _____
[FHA REFORM ACT OF 2010]
OFFERED BY MR. GARRETT OF NEW JERSEY

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

1 **SEC. 15. RISK-SHARING REQUIREMENT.**

2 Subsection (a) of section 203 of the National Hous-
3 ing Act (12 U.S.C. 1709) is amended—

4 (1) by inserting “(1) INSURING AUTHORITY.—
5 ” after “(a)”; and

6 (2) by adding at the end the following new
7 paragraph:

8 “(2) RISK-SHARING REQUIREMENT.—Mortgage
9 insurance provided under this section shall insure
10 against loss with respect only to 95 percent of the
11 outstanding principal obligation under the mort-
12 gage.”.

