

AMENDMENT TO H.R. _____
[FHA REFORM ACT OF 2010]
OFFERED BY MR. KANJORSKI OF PENNSYLVANIA

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

1 **SEC. 15. INCREASED LOAN LIMITS FOR DESIGNATED COUN-**
2 **TIES.**

3 (a) IN GENERAL.—Notwithstanding any other provi-
4 sion of law, the Secretary of Housing and Urban Develop-
5 ment (in this section referred to as the “Secretary”) shall
6 increase the dollar amounts of limitations on the principal
7 obligation of mortgages otherwise determined under sec-
8 tion 203(b)(2) of the National Housing Act for any county
9 that is designated under this section.

10 (b) PROCEDURES.—

11 (1) FEDERAL REGISTER NOTICE.—Not later
12 than 60 days after the date of the enactment of this
13 Act, the Secretary shall publish in the Federal Reg-
14 ister procedures for counties to apply for designation
15 under this section.

16 (2) FINAL DETERMINATION.—If the Secretary
17 receives a completed application for designation
18 under this section of a county in accordance with the
19 procedures issued pursuant to paragraph (1), the

1 Secretary shall issue a final determination regarding
2 such designation, based on the criteria under sub-
3 section (c), not later than 60 days after such receipt.

4 (c) DETERMINATION CRITERIA.—The Secretary shall
5 designate an applicant county under this section if the
6 county is located within a micropolitan area (as such term
7 is defined by the Director of the Office of Management
8 and Budget) and meets any two or more of the following
9 criteria:

10 (1) More than 70 percent of the border of the
11 applicant county abuts counties for which the dollar
12 amount limitations on the principal obligation of a
13 mortgage that may be insured under section 203 of
14 the National Housing Act, in effect at the time of
15 such determination, exceed than the maximum such
16 dollar amount limitations determined under section
17 203(b)(2) of the National Housing Act.

18 (2) The population of the applicant county has
19 increased by 20 percent or more during the 10 years
20 preceding the application.

21 (3) Such other criteria as the Secretary may de-
22 termine are appropriate and are published in the
23 Federal Register.

24 (d) MAXIMUM LOAN LIMIT AMOUNT INCREASE.—
25 For any county designated under this section, the max-

1 imum dollar amount limitations on the principal obliga-
2 tions of mortgages for purposes of section 203(b)(2) of
3 the National Housing Act shall be considered to be the
4 amounts of such dollar amount limitations for the adja-
5 cent county or counties described in subsection (c)(1) of
6 this section. In the event that two or more such adjacent
7 **【jurisdictions/ counties】** have higher maximum dollar
8 amount limitations than the designated county and such
9 higher limitations differ, the Secretary shall select the lim-
10 itations for one of such counties for purposes of the pre-
11 ceding sentence, and in making such selection shall con-
12 sider the population and employment demographics of the
13 designated county as compared to such adjacent counties
14 and shall select the limitations for the adjacent county
15 having the population and employment demographics that
16 most closely resemble those of the designated county.

17 (e) EFFECTIVE DATE AND TERM OF DESIGNATION
18 OF NEW COUNTYWIDE LOAN LIMIT.—A designation of a
19 county under this section, and the maximum dollar
20 amount limitations for such county pursuant to subsection
21 (d), shall—

22 (1) take effect upon the expiration of the 60-
23 day period that begins upon the final determination
24 for the county referred to in subsection (b)(2); and

1 (2) remain in effect until the end of the cal-
2 endar year in which such designation takes effect.

3 (f) LOAN LIMITS FOR SUCCEEDING YEAR.—With re-
4 spect to the calendar immediately following the calendar
5 year in which a county is designated under this subsection,
6 the Secretary may, notwithstanding any other provision
7 of law, increase the dollar amounts of the limitations on
8 the principal obligation of mortgages otherwise determined
9 under section 203(b)(2) of the National Housing Act for
10 such county, taking into consideration the criteria under
11 subsection (e).

