

August 6, 2003

COMMITTEE ACTION REPORT

On Wednesday, July 23 and Thursday, July 24, 2003, the Committee on Financial Services and Consumer Credit met in open session and considered the following measures:

**H.R. 1533, TO AMEND THE SECURITIES LAWS TO PERMIT CHURCH PENSION PLANS TO BE INVESTED IN COLLECTIVE TRUSTS, was ordered reported to the House with a favorable recommendation by a voice vote.**

**H.R. 1985, FHA MULTIFAMILY LOAN LIMIT ADJUSTMENT ACT OF 2003, was ordered reported to the House with a favorable recommendation, with an amendment, by a voice vote.**

The following amendments were considered:

An amendment offered by Mr. Frank, no. 1, making technical changes to the bill, was **AGREED TO** by a voice vote.

An amendment offered by Mr. Gary G. Miller of California, no. 2, increasing the baseline unit mortgage insurance limits for co-op housing to reflect increases in construction costs that have been applied to other multi-family housing programs, was **AGREED TO** by a voice vote.

**COMMITTEE PRINT ENTITLED "CHANGES IN LAW TO ELIMINATE WASTE, FRAUD, AND ABUSE", was ordered reported to the Committee on the Budget with a favorable recommendation by a voice vote.**

The following amendment was considered:

An amendment offered by Mr. Meeks of New York, no.1, suggesting the elimination of the provision requiring public housing residents that are not exempt to perform 8 hours of community service a month, was **NOT AGREED TO** by a record vote of 29 yeas and 30 nays (Record vote no. FC-10).

**H.R. 253, TWO FLOODS AND YOU ARE OUT OF THE TAXPAYERS POCKET ACT OF 2003, was ordered reported to the House with a favorable recommendation, with an amendment, by a voice vote.**

The following amendments were considered:

An amendment in the nature of a substitute offered by Mr. Bereuter, no. 1, reauthorizing the National Flood Insurance Program through September 30, 2008 and setting forth policies as to how to address repetitive loss properties, was AGREED TO by a voice vote, as amended.

An amendment to the amendment in the nature of a substitute offered by Mr. Ney, no. 1a, clarifying the application of certain provisions, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Ms. Hooley of Oregon, no. 1b, reiterating the responsibility of FEMA to map mudslides, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1c, increasing the thresholds necessary for a property to qualify as a severe repetitive loss for purposes of mitigation, was AGREED TO by a voice vote.

**H.R. 2420, MUTUAL FUNDS INTEGRITY AND FEE TRANSPARENCY ACT OF 2003, was ordered reported to the House with a favorable recommendation, with an amendment, by a voice vote.**

The following amendments were considered:

An amendment in the nature of a substitute offered by Mr. Oxley, no. 1, making a number of technical and substantive changes to the bill, was AGREED TO by a voice vote, as amended.

An amendment to the amendment in the nature of a substitute offered by Mr. Kanjorski, no. 1a, reducing disclosure burdens on small funds, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Tiberi, no. 1b, striking the independent chairman provision, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1c, requiring disclosure of proxy voting, an amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1d,

requiring each investment company and investment adviser registered with the SEC to have a code of ethics and a chief compliance officer, and an amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1e, requiring the portfolio manager disclose any holdings they have in the funds they manage, were AGREED TO en bloc by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1f, requiring brokers disclose to investors whether or not they have received an incentive to sell a particular fund or class of shares, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Shays, no. 1g, prohibiting any registered investment company from using deceptive or misleading names, was NOT AGREED TO by a voice vote.

**H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003, was ordered reported to the House with a favorable recommendation, with an amendment, by a record vote of 61 yeas and 3 nays (Record vote no. FC-14).**

The following amendments were considered:

An amendment in the nature of a substitute offered by Mr. Oxley, no.1, limiting the disclosure of certain medical information, establishing a three-tier system for victims of identity theft to ensure credit is not extended to identity thieves, prohibiting a business from sharing negative information about a consumer if they have received a copy of a police report indicating an illegal transaction, and requiring GAO to report on the role of race and gender in the credit granting process, was AGREED TO by a voice vote, as amended.

An amendment to the amendment in the nature of a substitute offered by Ms. Waters, no. 1a, striking uniform national consumer protection standards, was NOT AGREED TO by a record vote of 6 yeas and 56 nays (Record vote no. FC-11).

An amendment to the amendment in the nature of a substitute offered by Mrs. Biggert, no. 1b, requiring credit reporting agencies to notify users of consumer reports address discrepancies and direct the Federal banking regulators to establish guidance regarding reasonable policies for lenders' use of a consumer reports when an address discrepancy exists, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Sanders, no. 1c, prohibiting "bait and switch" practices, was NOT AGREED TO by a record vote of 22 yeas and 44 nays (Record vote no. FC-12).

An amendment to the amendment in the nature of a substitute offered by

Mrs. Kelly, no. 1d, requiring credit reporting agencies to code sensitive medical information, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Frank, 1e, requiring the credit reporting agencies conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate and prohibit furnishers from forwarding information to the credit reporting agencies if the furnisher has substantial doubts as to its accuracy, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Gillmor, no. 1f, requiring notification of a consumer in the event that the number of enquires made with respect to the consumer's report was a key factor that adversely affected a consumer's credit score, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Baker, no. 1g, clarifying consumers' ability to obtain one free credit report annually from each of the nationwide consumer credit reporting agencies, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Toomey, no. 1h, requiring the Treasury Department to conduct a study on the role of technology in fighting identity theft, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Frank of Massachusetts, no. 1i, requiring implementation of the legislation within 4 months instead of 10 months after the date of issuance of final regulations, was WITHDRAWN.

An amendment to the amendment in the nature of a substitute offered by Mr. Frank of Massachusetts, no. 1j, permitting employees against whom an adverse action has been taken based upon an investigation of workplace misconduct conducted by an outside third party to demand a reinvestigation of any information disputed by the employee, was NOT AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Meeks of New York, no. 1k, requiring that the Federal Reserve conduct a study of further restrictions on offers of credit or insurance not initiated by consumers, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Meeks of New York, no. 1l, requiring that a telephone number be included with any solicitation for a credit transaction not initiated by the consumer, was WITHDRAWN.

An amendment to the amendment in the nature of a substitute offered by Ms.

Lee, no. 1m, requiring the Comptroller General conduct a study on methods for improving consumers' financial literacy, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Ms. Carson of Indiana, no. 1n, protecting consumers' rights to obtain a reinvestigation of a consumer dispute directly through resellers of consumer reporting information, was AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mr. Shadegg, no. 1o, restricting the display and dissemination of a social security numbers, was WITHDRAWN.

An amendment to the amendment in the nature of a substitute offered by Mr. Kanjorski, no. 1p, extending the uniform national consumer protection standards by 9 years, was NOT AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Mrs. Maloney, no. 1q, requiring disclosure of increase in APR under certain circumstances, was AGREED TO by a voice vote.

An amendment to the Maloney amendment to the amendment in the nature of a substitute offered by Mr. Bachus, no. 1q(1), requiring the disclosure to include a good faith enumeration, was WITHDRAWN.

An amendment to the amendment in the nature of a substitute offered by Mr. Davis of Alabama, no. 1r, requiring furnishers to conduct reinvestigations within a reasonable time in case of alleged identity theft, was NOT AGREED TO by a voice vote.

An amendment to the amendment in the nature of a substitute offered by Ms. Lee, no. 1s, prohibiting credit reporting agencies from treating the number of enquiries as a negative when calculating the credit score, was NOT AGREED TO by a record vote of 14 yeas and 48 nays (Record vote no. FC-13).

An amendment to the amendment in the nature of a substitute offered by Mrs. Kelly, no. 1t, extending the phase-in period for credit agencies to provide a free report, was WITHDRAWN.

An amendment to the amendment in the nature of a substitute offered by Mr. Inslee, no. 1u, amending sections 625 and 626 of the Fair Credit Reporting Act, was RULED NONGERMANE by the Chair.

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The Committee adjourned subject to the call of the Chair.