

AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the Inspector General of the Federal Housing Finance Agency to investigate and report on the activities of Fannie Mae and Freddie Mac that may have contributed to the current mortgage crisis.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

S. 386

To improve enforcement of mortgage fraud, securities fraud, financial institution fraud, and other frauds related to federal assistance and relief programs, for the recovery of funds lost to these frauds, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. COBURN

Viz:

1 At the appropriate place, insert the following:
2 **SEC. _____. IG REPORT ON ACTIVITIES OF FANNIE MAE**
3 **AND FREDDIE MAC.**

4 Not later than 18 months after the date of enactment
5 of this Act, the Inspector General of the Federal Housing
6 Finance Agency shall submit a report to the Committee
7 on Banking, Housing, and Urban Affairs of the Senate

1 and the Committee on Financial Services of the House of
2 Representatives on the following:

3 (1) When did the Federal National Mortgage
4 Association (in this section referred to as “Fannie
5 Mae”) and the Federal Home Loan Mortgage Cor-
6 poration (in this section referred to as “Freddie
7 Mac”) begin buying large quantities of subprime and
8 Alt-A mortgages? In what years did Fannie Mae and
9 Freddie Mac purchase the largest number of
10 subprime and Alt-A mortgages?

11 (2) To what extent were the purchase of
12 subprime and Alt-A mortgages by Fannie Mae and
13 Freddie Mac induced by Congressional action or Ex-
14 ecutive Order?

15 (3) To what extent were the purchase of large
16 quantities of subprime and Alt-A mortgages by
17 Fannie Mae and Freddie Mac induced by the De-
18 partment of Housing and Urban Development af-
19 fordable housing regulations issued in 1995?

20 (4) What actions by Fannie Mae and Freddie
21 Mac contributed to the overvaluation of mortgage-
22 backed securities?

23 (5) What political contributions were made by
24 Fannie Mae and Freddie Mac on behalf of a political
25 candidate or to a separate segregated legal fund de-

1 scribed in section 316(b)(2)(c) of the Federal Elec-
2 tion Campaign Act of 1971 (2 U.S.C. 441b(b)(2)(e))
3 between 1990 and 2008?

4 (6) What lobbying expenditures, as such term is
5 defined in section 4911(c)(1) of the Internal Rev-
6 enue Code of 1986, were made by Fannie Mae and
7 Freddie Mac between 1990 and 2008?

8 (7) What contributions were made by Fannie
9 Mae and Freddie Mac to any organization described
10 under section 501(c) of the Internal Revenue Code
11 of 1986 between 1990 and 2008?