

From Predatory Lending Act," much needed legislation to prevent predatory lending. This year, my home state of California became the third state in the nation to pass a law regulating predatory lending practices. Reverse redlining or predatory lending encompasses a number of lending practices that target minority communities, employing interest rates and service fee charges that are significantly higher than those prevailing in white communities. Such predatory lending practices are prevalent in many areas across the country and federal action in this area is long overdue.

Home equity loans have historically been the privilege of the middle class and wealthy, who generally have high credit ratings, income, and home equity. However, beginning in the 1980s, non-depository finance companies—lending institutions other than commercial banks, thrifts, and credit unions—began to provide home-equity loans to lower-income communities, which were not served by mainstream lenders.

Persons in low-income communities typically have little disposable income, but may have substantial home equity as a result of paying down their mortgages or through the appreciation of their property values. This equity can secure sizable loans. While offering loans to low-income and minority communities can benefit these communities, predatory lending practices, which oftentimes use the borrowers' home as collateral, have milked the last drops of wealth from many of these neighborhoods, leading to increased poverty and public dependence.

My bill adds important protections to the law that will save many people from losing their homes. My legislation would prohibit the industry from making false, deceptive or misleading statements or engaging in unfair or deceptive acts or practices, and prohibit blank terms in credit agreements that are filled in after the consumer has signed. In addition, it would prohibit prepayment penalties and the financing of credit insurance.

My bill will prohibit the "flipping" of consumer loans, in which the borrower refinances an existing loan when the new loan does not have a reasonable, tangible benefit to the consumer. This practice of flipping often costs the consumer thousands of dollars in fees and frequently leads to foreclosure. My bill will eliminate the practice of charging fees for services or products not actually provided. It will also prevent collusion between lenders and appraisers or home improvement contractors by prohibiting direct payments to home improvement contractors without a consumer cosignature and prohibits creditors from influencing the judgement of an appraiser.

My legislation will remove the shroud of secrecy that currently surrounds the application process by requiring that a consumer receive disclosure of his or her credit score and an explanation of the methodology used to calculate the credit score, if one is used by the lender.

My legislation will impose restrictions on late payments and apply additional safeguards by lowering the threshold for high cost mortgages.

Finally, my legislation will prohibit steering consumers into loans with higher risk grades than the consumer would qualify for under prudent underwriting standards. This is merely the latest in a long line of practices that have targeted minorities and low and moderate income families, shutting them out of the American Dream of homeownership.

This problem is getting worse, not better. According to an ACORN study, *Separate and Unequal 2001: Predatory Lending in America*, which was released last month, African-American homeowners who refinanced in the Los Angeles area were 2.5 times more likely to receive a subprime loan than white homeowners were and Latinos were 1.5 times more likely to receive a subprime refinance loan. And this is not merely a function of income: Upper-income African-Americans and middle-income African-Americans were more likely to receive a subprime loan than low-income white homeowners when refinancing. Middle-income Latinos were also more likely to receive a subprime refinance loan than low-income whites.

We must continue to scrutinize predatory lending practices and protect American consumers who are easy targets for the predatory lending industry. Congress and federal agencies must recommit our efforts to ensure that greater opportunity to credit access means an increase in quality of life, not an increase in predatory lending and foreclosure. I will continue fighting on the federal level until predatory lending is eliminated and the term will only have relevance in history books. I encourage my colleagues to support my legislation and look forward to working with you to eliminating this blight from our communities.

TRIBUTE TO K. ROSS CHILDS ON
THE OCCASION OF HIS RETIREMENT
AS COUNTY ADMINISTRATOR FOR GRAND TRAVERSE
COUNTY, MICHIGAN

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 2001

Mr. STUPAK. Mr. Speaker, I rise tonight to pay tribute to a dedicated public servant, K. Ross Childs, who is retiring after serving as County Administrator for Grand Traverse County, Michigan, since 1976. Ross will be honored on January 5 at a special celebration in Traverse City by the many friends and colleagues he has touched in his long career.

A review of Ross' professional resume reveals an individual who acquired a broad base of skills that ably suited him for the job of county administrator. A Canadian citizen by birth, he did his undergraduate studies in the community of Owen Sound, Ontario. He came to the U.S. in 1955 to earn an engineering degree at the University of Michigan, and his postgraduate studies included courses in engineering, business administration and public administration at U. of M. and Detroit's Wayne State University.

This resume also reveals an administrator who recognized that being in charge of a diverse and growing county required close coordination with local public and private organizations. At various times Ross has served as a member or officer of, among others, the Michigan Leadership Institute, the Grand Traverse Commons Redevelopment Corporation, Leadership Grand Traverse, the Traverse Bay Economic Development Authority, the Traverse City Convention and Visitors Bureau, the Traverse City Area Chamber of Commerce, National City Bank, Blue Cross Blue Shield, and Munson Medical Center. Ross has

also been extremely active in Rotary International and will serve as district governor for 2002–2003.

But, Mr. Speaker, when I worked with Ross Childs, I wasn't working with a resume or a list of titles. I worked with a dedicated public servant, a man who was a consummate advocate for his Grand Traverse County, whether he was laboring on behalf of an individual or for the county's largest employer, Munson Healthcare.

I have worked with Ross on numerous issues, including funding for a new airport terminal at Cherry Capital Airport, funding for roads in the county, and projects at the Coast Guard air station in Traverse City. In between dealing with major projects or problems, I always knew that when the National Association of Counties met in Washington, D.C., Ross would arrive with a list of county issues for me to work on.

Ross and his wife Helen have two daughters, Mary and Susan. As a change from our usual meetings in Washington, it was a pleasure for my staff and me to be able to show Ross, Helen and Susan some of the sights of this great city when they came here on a family visit.

That doesn't mean we haven't had our differences, Mr. Speaker. I ask you to recall that Ross in an alumni of the University of Michigan, a school he not only attended but represented on the hockey rink. Waving those Michigan school colors of maize and blue in front of a Michigan State supporter like me is like waving the proverbial red flag in front of a bull.

Mr. Speaker, let me add a personal note of appreciation. Ross and Helen lost their son Scott, a hockey player like his father, in an auto accident some years ago. When my own son BJ died last year, Ross was there at the funeral to lend his support. We share a profound loss that never quite heals, and I will always remember and appreciate his true expression of sympathy and genuine concern.

So, Mr. Speaker, K. Ross Childs is giving up the reins of power in Grand Traverse County, and in one of his final acts as administrator he has helped hire and mentor Dennis Aloia, who comes from Marquette in the Upper Peninsula of Michigan. As a U.P. resident myself, I am pleased to see that Ross has learned what a great value and resource the U.P. can be for Grand Traverse County.

While Ross may be leaving his post as county administrator, he will remain active in northern Michigan as regional governor of Rotary, a organization to which he has been extremely dedicated for many years.

I ask you, Mr. Speaker, and our House colleagues to join me in congratulating this public servant on a job well done and in wishing Ross and Helen Childs the best in their retirement years.

CONGRATULATIONS TO MR. AND
MRS. FLORENIO BACA

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 2001

Mr. BACA. Mr. Speaker, it is my privilege to announce to you and to the rest of my esteemed colleagues, that on January 5, 2002,

Flornio and Escolastica Baca will celebrate their 50th wedding anniversary. The couple will renew their wedding vows in a ceremony at Mt. Saint Joseph's Catholic Church in Barstow, California.

Florenio and Escolastica were both born in New Mexico. Florenio was one of thirteen children born to Seledon and Isabeleta Baca, while Escolastica was only one of two children born to her parents, Rafael and Eufelia Garcia. Eufelia, now 89 years old, is the couple's only surviving parent.

Florenio and Escolastica married on January 28, 1951 in La Joya, New Mexico, and shortly afterwards the pair moved to Barstow, California. Florenio worked for the Santa Fe Railway and later went to work for a civil service position only to return to the Santa Fe Railway until his retirement. A hardworking couple, Florenio and Escolastica were pioneers of the dual income family as Escolastica worked a variety of jobs until her retirement from a civil service position in Nebo, California. All the while, Florenio and Escolastica raised a loving family.

The couple was blessed with three children, Gilbert, Sally and Evelyn. Today their children are grown and married. Florenio and Escolastica's family now includes Gilbert's wife, Tracy Marcum, Sally's husband, Scott Stapp, and Evelyn's husband, Joe Bencie. Their children have given the Baca's eight grandchildren, Lindsay, Courtney, Brandy, Larry, Erica, Adrian, Ryan and Mathew, and one great-grandchild, Brooklyn.

I commend Florenio and Escolastica for demonstrating their commitment to marriage and family. The couple has provided love and ongoing support to their children, grandchildren and great-grandchild playing an active role in all of their raising.

Today the Baca's spend most of their time relaxing at home and visiting their family. Escolastica remains very active at Mt. Saint Joseph's Catholic Church.

Mr. Speaker, on behalf of the United States Congress and the people of California, I extend our sincere congratulations to Mr. and Mrs. Florenio Baca.

TRIBUTE TO DR. BRENDA DAVIS,
OUTGOING PRESIDENT, CORONA
CHAMBER OF COMMERCE

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 2001

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication to the community and to the overall well-being of my hometown of Corona, CA, is exceptional. The City of Corona has been fortunate to have dynamic and dedicated business and community leaders who willingly and unselfishly give time and talent to making their communities a better place to live and work. Dr. Brenda Davis is one of these individuals.

On January 5, 2002, Dr. Davis will be honored as the outgoing 2001 President of the Corona Chamber of Commerce. Currently Provost of the Norco Campus at Riverside Community College, Brenda provides great leadership, administration and supervision over her faculty and students. A person with passion and principles, who has strived to have a posi-

tive effect upon her local community, Dr. Davis' leadership has been instrumental in strengthening the bonds between the cities of Corona and Norco, along with their business and educational communities.

Dr. Brenda Davis holds a Doctor of Education degree in Curriculum and Teaching, a Master of Education Degree in Psychiatric—Mental Health Nursing and Bachelor of Science in Nursing all from Teachers College, Columbia University in New York. Dr. Davis is recognized as a very effective administrator and has held several administrative positions at Riverside Community College, including Director, Department Chairperson of Nursing; Dean, Nursing Education; Dean, Grant and Contract Services.

Brenda's tireless, engaged action have propelled the City of Corona forward in a positive and progressive manner. Her work to promote the businesses, schools and community organizations of the City of Corona make me proud to call her a fellow community member, American and friend. I know that all of Corona is grateful for her contribution to the betterment of the community and salute her as she departs. I look forward to continuing to work with her for the good of our community in the future.

ON INTRODUCING THE ANTI-TERRORISM
CHARITY PROTECTION
ACT

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 20, 2001

Mr. ISRAEL. Mr. Speaker, I rise today to introduce the Anti-Terrorism Charity Protection Act, a bill that will not only ensure that organizations supporting terrorism are denied the benefits of an American tax deduction, but will protect innocent citizens from donating well-intentioned contributions to organizations that misappropriate funds to support terrorism.

Mr. Speaker, since September 11th, we have learned a great deal about Osama bin Laden and the al Qaeda terrorist network. Bin Laden apparently is rich, with a personal fortune of over \$300 million. In addition, a complex global financial network exists to supplement his personal fortune. Alarmingly, evidence suggests that organizations in the United States and abroad have cloaked themselves as charitable groups to help funnel funds to al Qaeda.

The President has already frozen the assets of the Wafa Humanitarian Organization, the Al Rashid Trust, the Makhtab al-Khidamat and the Society of Islamic Cooperation. These were groups that were supposedly charitable organizations, but were mere conduits for raising money for the treacherous acts of September 11 and other acts of terrorism around the world.

On December 3rd, the Administration froze the assets of the Holy Land Foundation for Relief and Development, a foundation based in Richardstown, Texas. According to a December 5th article in The New York Times:

Mr. Bush and Treasury Secretary Paul O'Neill said today that they believe many Muslims who contributed to the Holy Land Foundation did not know where their money was going. "Innocent donors who thought

they were helping someone in need deserve protection from these scam artists," Mr. O'Neill said at the White House. The Treasury also announced action against the Al Aqsa Bank and the Belt al Mal Holdings Company, a bank that it described as "direct arms of Hamas."

I ask that the full text of the article follow my remarks.

It seems clear that the Holy Land Foundation for Relief and Development is an organization that serves as the fundraising arm of Hamas, which is responsible for hundreds, if not thousands, of terrorist deaths in Israel over the years, with a recent surge of murder of innocent young people in Jerusalem, Tel Aviv and Haifa.

I do not believe that the American people, especially American Muslims, are intentionally giving money to support terror. In fact, I am sure that the vast majority of contributors to this organization believed that their money was going to support the legitimate humanitarian concerns that Americans have about the situation in the Middle East.

The facts, however, indicate that these contributions were being used to finance bombs targeted at innocent civilians.

Mr. Speaker, Americans trust the IRS to determine what is and what is not a charity. If there is an organization that is designated by the IRS to allow contributions to be tax deductible, almost all of our citizens would automatically assume that the group was legitimate. The IRS does an excellent job applying its regulations very stringently. Unfortunately, according to the IRS, the Holy Land Foundation did receive these benefits.

Currently, the IRS by internal regulation denies charities affiliated with terrorism a tax deduction. This is all well and good, but the fact is that this could be challenged in court. I believe that the IRS needs a stronger tool. I believe that this restriction must be in the law.

Finally, Mr. Speaker, during consideration of the Financial Anti-Terrorism Act, I introduced an amendment on this issue that Chairman OXLEY, Mr. LAFALCE, and the Committee on Financial Services were gracious enough to accept, though it did not make it through conference. The amendment asked that Treasury study how terrorist organizations may use charities to fund their operations. I am gratified to see that the Department of the Treasury and Secretary O'Neill seem to be focusing on this issue and would encourage them to continue doing so.

Mr. Speaker, if we are going to win the War on Terrorism, we must fight the war on every front. The financial front is one important battleground and we must do everything we can to ensure that our soldiers—not only in Afghanistan behind rifles but here in America in front of computer screens—have the weapons they need to defend America.

[From the New York Times, Dec. 10, 2001]
BUSH FREEZES ASSETS OF BIGGEST U.S. MUSLIM CHARITY, CALLING IT A DEADLY TERROR GROUP

(By David E. Sanger and Judith Miller)

WASHINGTON, DEC. 4—President Bush significantly broadened his counterattack on terrorist groups today, freezing the assets of the largest Muslim charity in the United States. Mr. Bush accused the charity of supporting Hamas, the Palestinian militant group that took responsibility for three suicide bombings in Israel over the weekend.

Mr. Bush's announcement was a strong demonstration of solidarity with Prime Minister Ariel Sharon of Israel, who has urged