

Mr. Speaker, I am absolutely convinced that as a result of the record that the chairman and ranking member have compiled before our subcommittee, as a result of the hard work that has been done throughout the Congress and frankly in the outside world with our friends, not just in the environmental community, I have had these conversations with General Flowers since soon after his appointment, he too wants to change the way that business is done; he wants to make sure that we are respectful of the tax dollar and of the environmental concerns to bring forward a new era of water resources activities with the Corps of Engineers and with the Federal Government. But in order for that to happen, we have got to bring these issues to the floor, and we need to re-align what Congress is doing.

I reject the notion that problems with water resources lie solely at the feet of the Corps of Engineers. There is over a 200-year history of that agency performing admirably. There have been problems. Some of the problems on the floor we are dealing with. Again we did this with our committee last session, dealing with the problems in the Everglades. But frankly we are putting \$8.5 billion in the Everglades as a down payment to change some of what we did to it in the first place. We need to have this discussion. We need to bring the product of our subcommittee to the floor and be able to deal with these issues meaningfully and honestly.

It is time for Congress to get its act together, because frankly some of what people feel in some instances are scandals and problems with the Corps of Engineers I think are a result of past practices and the traditional cross-currents they face. In no small measure it is pressure from individual Members of Congress. We need to have this discussion here; we need to help the Corps of Engineers; we need to be part of the solution, not continuing to be part of the problem.

I conclude, Mr. Speaker, by expressing again my appreciation to the subcommittee chair and ranking member. I pledge my efforts to continue to work with them, with a group of Members of Congress who have organized the Corps Reform Caucus, to be able to make sure that this Congress does not adjourn without considering the fruits of their hard work. It is time to allow that on the floor. I look forward to working with them so that we can have other successes like we have here with H.R. 5169.

Mr. DEFAZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

To conclude this, let me first of all just say that I would like to thank the gentleman from Oregon for his kind comments in regard to this legislation and the WRDA bill. Most of his concerns relate to the WRDA bill, the Water Resources Development Act,

which was pulled; and it is still my hope that we can reach some type of consensus agreement on that bill before this session ends. There are very serious and heartfelt concerns that Chairman YOUNG has concerning that bill and we will have to see if those can be addressed. But certainly the gentleman from Oregon has been one of the most hardworking and dedicated members of our subcommittee, and I appreciate that very much.

Also, I want to thank Chairman YOUNG, ranking member OBERSTAR, and also the gentleman from Oregon (Mr. DEFAZIO) for their work on this legislation. This is an example of the bipartisan legislation of which our full committee is so proud. We have worked together to produce a very good bill, a very necessary bill that will help wastewater treatment facilities and municipalities and local governments all over this country. I think this is legislation that all of us can support.

Mr. Speaker, I urge the passage of this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from Tennessee (Mr. DUNCAN) that the House suspend the rules and pass the bill, H.R. 5169.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5169.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MORTGAGE SERVICING CLARIFICATION ACT

Mr. ROYCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 163) to amend the Fair Debt Collection Practices Act to exempt mortgage servicers from certain requirements of the Act with respect to federally related mortgage loans secured by a first lien, and for other purposes, as amended.

The Clerk read as follows:

H.R. 163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mortgage Servicing Clarification Act".

SEC. 2. MORTGAGE SERVICING CLARIFICATION.

(a) IN GENERAL.—The Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) is amended—

(1) by redesignating section 818 as section 819; and

(2) by inserting after section 817 the following new section:

"§ 818. Mortgage servicer exemption

"(a) EXEMPTION.—A covered mortgage servicer who, whether by assignment, sale or transfer, becomes the person responsible for servicing federally related mortgage loans secured by first liens that include loans that were in default at the time such person became responsible for the servicing of such federally related mortgage loans shall be exempt from the requirements of section 807(11) in connection with the collection of any debt arising from such defaulted federally related mortgage loans.

"(b) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) COVERED MORTGAGE SERVICER.—The term 'covered mortgage servicer' means any servicer of federally related mortgage loans—secured by first liens—

"(A) who is also debt collector; and

"(B) for whom the collection of delinquent debts is incidental to—the servicer's primary function of servicing current federally related—mortgage loans.

"(2) FEDERALLY RELATED MORTGAGE LOAN.—The term 'federally related mortgage loan' has the meaning given to such term in section 3(1) of the Real Estate Settlement Procedures Act of 1974, except that, for purposes of this section, such term includes only loans secured by first liens.

"(3) PERSON.—The term 'person' has the meaning given to such term in section 3(5) of the Real Estate Settlement Procedures Act of 1974.

"(4) SERVICER; SERVICING.—The terms 'servicer' and 'servicing' have the meanings given to such terms in section 6(i) of the Real Estate Settlement Procedures Act of 1974."

(b) CLERICAL AMENDMENT.—The table of sections for the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) is amended—

(1) by redesignating the item relating to section 818 as section 819; and

(2) by inserting after the item relating to section 817 the following new item:

"818. Mortgage servicer exemption."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROYCE) and the gentleman from Texas (Mr. BENTSEN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. ROYCE).

GENERAL LEAVE

Mr. ROYCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous materials into the RECORD on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

I rise today in strong support of my bipartisan legislation, H.R. 163, the Mortgage Servicing Clarification Act. This carefully written legislation addresses a specific problem for consumers and businesses involved in the mortgage servicing industry by simply clarifying the existing law governing mortgage servicing. This uncontroversial bill enjoys the support

of 12 cosponsors, eight Democrats and four Republicans, and has been approved for consideration under the suspension of the rules by both the chairman and the ranking member of the Committee on Financial Services.

Mr. Speaker, I introduced this bill to fix a problem in the mortgage servicing industry which has hampered the ability of this industry to serve its clients effectively and to conduct its business efficiently for too long. Currently, when a mortgage servicing company acquires the rights to service a portfolio of home loans, it is exempt from the unnecessary strictures of the Fair Debt Collection Practices Act under the creditor exemption that was also extended to the originator of the mortgage.

The new mortgage servicer is extended this exemption because its relationship to the borrower is more like the relationship between a borrower and a lender than it is like the relationship between a borrower and a true collections agency. The law already recognizes this reality.

However, in the typical loan servicing portfolio transfer, a small percentage of the loans acquired by a new servicer will inevitably be delinquent or technically in default at the time of transfer. These loans are currently treated by the law as being subject to the Fair Debt Collection Practices Act; and subsequently the new servicers of these loans are required to provide certain form notices, known as Miranda warnings, to the borrower. The law also currently requires that in every subsequent contact, both written and oral, whether initiated by the servicer or the borrower, the servicer is required to provide a shorter, mini-Miranda notice disclosing that the communication is "an attempt to collect a debt" and that any information provided by the borrower will be used toward that end.

The purpose of these cookie-cutter warnings is to prevent unscrupulous debt collectors from using false or misleading tactics, such as a phony winning sweepstakes claim, to trick consumers into divulging private financial information or personal details like their home address or their home phone number. The Fair Debt Collection Practices Act has worked extremely well in preventing bad actors in the debt collection business from using lies and deceit to harm consumers, and this legislation would in no way prevent it from continuing to protect American consumers. However, as I have already mentioned, mortgage servicers are not like debt collectors. Their role to consumers is much more like that of a mortgage originator. And in the context of a mortgage servicing transfer, these Miranda notices are both detrimental to consumers and unnecessary and inefficient for mortgage servicers' operations.

First, the notice misleads the borrower about the nature of the relationship between him or her and the new servicer. Unlike true debt collectors,

mortgage servicers have a long-term relationship with their client, and these harshly worded notices often have the effect of discouraging a borrower who is slightly late on a mortgage payment from contacting their new servicer for fear that the servicer is a true third-party debt collector. This ends up frustrating the servicer's efforts to work with delinquent borrowers on developing strategies to bring their loans current and keep their credit ratings intact. A mortgage servicer's biggest hurdle in helping delinquent borrowers to help themselves is getting them on the phone, and these threatening Miranda notices only contribute to that unnecessary fear without doing anything to help the borrower. Additionally, the information protected by the Miranda notice is information already in the servicer's possession, so nothing new is truly protected by requiring these additional legalistic and threatening notices be provided.

Finally, these warnings simply make consumers feel unnecessarily defensive and antagonistic toward their new servicer during the first step of their new association, which can have a chilling effect on the rest of their relationship. Mortgage servicers typically send these Miranda notices along with a new customer's welcome letter as required by the Real Estate Settlement Procedures Act, and this letter also includes important consumer information about the new servicer and the borrower's monthly payment arrangements. This preliminary contact is the first opportunity that a servicer has to create a positive relationship with a new client, and the harsh language used in the Miranda warning can create animosity between the servicer and the borrower where none need exist.

Additionally, because the mini-Miranda is required in all subsequent contacts, they can continue for decades, even after customers bring their loans current and keep them that way for years. H.R. 163 resolves this problem by creating a narrow exemption from Miranda notices for the servicers of federally related first lien mortgages whose primary function is servicing current loans, not collecting third-party debts. It exempts these servicers only from the Miranda notices, leaving all other borrower protections required by the Fair Debt Collection Practices Act in place.

This legislation is consistent with a longstanding recommendation from the Federal Trade Commission to improve the mortgage servicing process. I urge my colleagues on both sides of the aisle to support this bipartisan legislation to improve the mortgage servicing process for both the consumer and for the companies who serve them.

Mr. Speaker, I reserve the balance of my time.

Mr. BENTSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I rise today in strong support of H.R. 163, the Mortgage Servicing Clarification Act of 2002. As an original sponsor of the bill, along with the gentleman from California (Mr. ROYCE), I want to personally thank both the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE), chairman and ranking member of the Committee on Financial Services, for their support and help in bringing this bill before the House on an expedited basis. I believe that this technical bill is necessary in order to protect both consumers and mortgage servicers.

The Fair Debt Collection Practices Act of 1977 is a consumer protection statute which was established in order to protect consumers from deceptive and abusive practices by third-party debt collectors. Under the Fair Debt Collection Practices Act, debt collectors are required to give certain notices to debtors regarding the nature and amount of the delinquent debt. The original intent of this notice was to ensure that the debtor understood why the collector was calling and what was owed.

While I believe that both consumers and debt collectors have benefited from this law, it has proven cumbersome for mortgage servicers who do not necessarily seek to call the note or debt. Under the act, collection activities by the original creditors were generally exempt from the FDCPA; however, third parties such as debt collectors were generally considered to be covered and are required to provide such written or oral communications to consumers. These notifications are generally referred to as Miranda warnings to the consumers.

The reason for the bill before the House is to determine whether mortgage servicers would be considered as third parties.

□ 1130

In the mortgage market, mortgages are bought and sold on a regular basis in order to provide liquidity for lending and better rates for borrowers. In some cases originators will keep loans on their books but will decide to sell the servicing rights to other parties.

This legislation was developed in response to a growing concern that some mortgage servicers were unclear as to whether these transfers were covered by the FDCPA and what the appropriate communication should be between the mortgage servicer and the consumer. Under current law when a mortgage servicer acquires the right to service a loan, the mortgage servicer is generally exempt from complying with the FDCPA because the act extends the creditor's exemption to the new servicer. However, in a typical loan-servicing transfer, a certain percentage of loans will be delinquent or in default at the time of the transfer. Even with good due diligence by the mortgage servicer there is always a possibility that a person will be in default with

their mortgage at the time of the transfer.

H.R. 163 would resolve this problem by providing a narrow exemption from the FDCPA by clarifying that this exemption only applies to a mortgage servicer who acquires responsibility for servicing the mortgage by assignment, sale, or transfer. Under this exemption a mortgage servicer would not be required to provide a Miranda warning to those specified defaulted loans.

In addition, in order to protect consumers, this exemption only applies in those cases when the loan is actually in default at the time of the transfer. This means that the exemption is narrowly drawn so as to affect a small number of mortgages.

In addition, this bill ensures that this exemption only applies to collection activities in connection with these specified loans. As a result, a mortgage servicer cannot use his exemption with respect to other loans which may be in default after the transaction occurs.

I also want to point out that this legislation was modified from its original form to address every concern of consumer rights. As introduced, H.R. 163 would have provided an exemption for those mortgage servicers whose collection of delinquent debts is incidental to the servicer's primary function of servicing federally related mortgage loans.

It is interesting to note that this "incidental to servicer's primary function" was a suggestion by the Federal Trade Commission in order to clarify that mortgage servicers are exempt from the FDCPA. Both the 2000 and 2001 FTC annual report on the FDCPA include a legislative recommendation with this language.

After discussion with consumer groups and other public policy advocates, we determined that this exemption appeared overly broad and, as a result, we agreed to amend the bill to limit the exemption to only those loans which were delinquent at the time of transfer. This amendment will ensure that only a small number of loans will be covered by the exemption.

I also want to highlight that this bill does not provide an exemption from other substantive borrowers' rights. Rather, this exemption is narrowly drawn to apply only to the Miranda warning which third-party debt collectors are required to give to consumers.

This bipartisan legislation is supported by the Consumer Mortgage Coalition, the American Financial Services Association, the Mortgage Bankers Association, and the Financial Services Roundtable. I urge my colleagues to support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. BACHUS), the distinguished chairman of the Subcommittee on Financial Institutions and Consumer Credit.

Mr. BACHUS. Mr. Speaker, this bill which the gentleman from California

(Mr. ROYCE) has introduced has broad support and that is bipartisan support. It also has broad cosponsorship from both sides of the aisle. The bill has been modified from an earlier version which was in the 106th Congress to address concerns raised by consumer groups. Now the Consumer Mortgage Coalition has endorsed the bill, as has the American Financial Services Association and the Mortgage Banking Association. They all support this legislation.

The bill is drafted to be consistent with the previous recommendations by the Federal Trade Commission to apply the Fair Debt Collection Practices Act protections based on the nature of the overall business conducted by the party to be exempted, rather than the status of individual obligations when the party obtained them.

H.R. 163 is even narrower than the FTC recommendation. It only exempts mortgage servicers from the Miranda notices required by Section 8071 on original first lien Federal-backed mortgages. All other borrower protections provided by the Fair Debt Collection Practices Act remain in full force.

And, finally, just to show the bipartisan nature of this effort, I want to read to a letter, just a part of a letter, explaining why the Miranda warnings are clearly appropriate for third-party debt collection activities but that they actually put borrowers at greater risk in mortgage service transfers and impair the ability of the new mortgage servicer to establish a strong customer relationship. This letter is from the gentleman from Texas (Mr. BENTSEN), the gentleman from Connecticut (Mr. MALONEY), the gentleman from Pennsylvania (Mr. KANJORSKI), the gentleman from New York (Mrs. MALONEY), the gentleman from California (Mr. SHERMAN), the gentleman from Ohio (Mrs. JONES), the gentleman from Texas (Mr. GONZALEZ), the gentlewoman from Indiana (Ms. CARSON), the gentleman from Tennessee (Mr. FORD) and the gentleman from New York (Mr. MEEKS), all Democrats, all members of the Committee on Financial Services.

Here is what they say about the present state of the law and why this bill is needed. They gave three reasons.

One, the present Miranda notice misleads the borrower about the nature of the new servicer's relationship. The most important thing a delinquent mortgage borrower can do is call his or her servicer to discuss working out options. The harshly worded Miranda actually discourages borrowers from contacting their new servicer out of fear that the company is simply another debt collector.

Second reason, the notice "protects borrowers from providing information that the mortgage servicer already has in its possession. Mortgage servicers already possess detailed information about the borrower in the loan files. There is no need for the servicer to engage in deceptive tactics to obtain information from the borrower."

Third, the notice hurts customer relationships for the remaining term of the mortgage. The mini Miranda is required in all subsequent contacts with the borrower even after customers have brought their loans current and maintained them that way for years.

Let me simply close by saying that what this committee heard is, many times, a person's mortgage servicer would change. That mortgage would be assigned and that person would get a telephone call from someone who had to identify themselves as a debt collector. The mortgage might be up, it may be current. They would have to warn the person that they were trying to collect a debt and that they were a debt collector. In fact, what they were and, in fact, in reality they are, is they were the person's mortgage servicer, and as opposed to avoiding them, what you ought to be doing is talking with them, letting them answer questions and establishing a new relationship.

In the original act, I think it was inadvertent that these Miranda warnings were applied to someone servicing a person's mortgage. This legislation will go a long way towards clearing up this confusion and protecting people who have mortgages.

Mr. BENTSEN. Mr. Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield myself such time as I may consume.

I thank my colleague from Texas (Mr. BENTSEN) who is the cosponsor of this legislation. I also want to thank the gentleman from Alabama (Mr. BACHUS), again, the chairman of the Subcommittee on Financial Institutions and Consumer Credit.

Mr. Speaker, I would just like to close by reiterating that this bill is a narrowly tailored bill that enjoys strong bipartisan support and the long-time support of the Federal Trade Commission. This legislation is a commonsense, consumer-friendly fix to the law, to the law that currently governs the mortgage servicing process that has been cleared for consideration under the suspension of the rules by both the gentleman from Ohio (Mr. OXLEY), chairman, and by the gentleman from New York (Mr. LAFALCE).

It does not sacrifice or alter any of the meaningful protections afforded to consumers by the Fair Debt Collection Practices Act. Rather than, it creates a narrow exemption for mortgage services whose primary function is servicing current mortgage loans, not the third-party collection of debt, from having to threaten their newest and most needy customers with a legalistic and misleading pro forma notice.

The law as it is currently written prevents these at-risk consumers from building strong relationships with their mortgage servicers, putting those consumers whose mortgages may be uncharacteristically later delinquent at the time that they are acquired at a distinct disadvantage. The exemption that this legislation creates is already

extended to mortgage originators and those loans that are current at the time they are acquired by a new servicer. This legislation simply recognizes that the relationship between a mortgage servicer and a customer more closely resembles the relationship between a mortgage originator and a consumer than the relationship between a consumer and a third-party debt collector.

So, Mr. Speaker, I urge all of my colleagues to stand up for consumers and help to increase the efficiency of the mortgage servicing industry by supporting this commonsense and bipartisan legislation.

Mr. Speaker, I yield back the balance my time.

The SPEAKER pro tempore (Mr. UPTON). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and pass the bill, H.R. 163, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TRUTH IN LENDING INFLATION ADJUSTMENT ACT

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5507) to amend the Truth in Lending Act to adjust the exempt transactions amount for inflation.

The Clerk read as follows:

H.R. 5507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Lending Inflation Adjustment Act".

SEC. 2. AMOUNTS OF EXEMPT TRANSACTIONS ADJUSTED FOR INFLATION.

(a) CREDIT TRANSACTIONS OTHER THAN MORTGAGES.—Section 104(3) of the Truth in Lending Act (15 U.S.C. 1603(4)) is amended by striking "\$25,000" and inserting "\$75,000".

(b) CONSUMER LEASES.—Section 181(1) of the Truth in Lending Act (15 U.S.C. 1667(1)) is amended by striking "\$25,000" and inserting "\$75,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alabama (Mr. BACHUS) and the gentleman from Texas (Mr. BENTSEN) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BACHUS).

GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material into the RECORD on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong support of H.R. 5507, the Truth in Lending Inflation Adjustment Act. This bill makes a very modest change in the Truth in Lending Act.

This legislation adjusts for inflation the dollar threshold for transactions that are exempt from the Truth in Lending Act. The Truth in Lending Act offers great protection to consumers and, under the current law, merchants need not comply with the Truth in Lending Act for credit and leasing transactions when the amount financed exceeds \$25,000. Congress set this dollar amount at \$25,000 in 1968, and in the last 34 years inflation has eroded the effectiveness of the Truth in Lending Act. This bill corrects that problem and ensures that the Truth in Lending Act will once again apply to most consumer credit and leasing transactions by raising that to \$75,000.

This bill will not result in significant new costs to financial institutions and merchants because most financial institutions and merchants voluntarily comply with the requirements of the Truth in Lending Act even for transactions above the current threshold of \$25,000.

Let me commend the gentleman from New York (Mr. LAFALCE), Member of the other party, for his sponsorship of this legislation.

I do want to again commend, as with the previous legislation, these two consumer protection items or pieces of legislation had broad bipartisan support, once again, just a demonstration of what this Congress can do when it puts aside its differences and works together in a bipartisan way.

Mr. Speaker, I reserve the balance of my time.

□ 1145

Mr. BENTSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say at the outset that I am standing in for the gentleman from New York (Mr. LAFALCE), who is traveling in his district and could not get back here in time this morning for this bill. I have a statement that I will put into the RECORD that actually is a statement he would have made had he been here at this time.

Mr. Speaker, I rise in support of H.R. 5507, a bill to update and enhance an important consumer protection. In 1968, Congress enacted the Truth in Lending Act to ensure that consumers receive accurate and meaningful disclosure of the cost of consumer credit. Such disclosures enable American consumers to compare credit terms and make informed credit decisions.

Prior to 1968, consumers had no easy way to determine the true cost of their credit transactions, nor did they have a basis for comparing the various creditors in the marketplace. TILA addressed this problem by providing a standardized finance cost calculation, the annual percentage rate, or APR, and by requiring creditors to provide

clear and accurate disclosures of all credit terms and costs. Over the past 30 years, however, key statutory protections and remedies stated in 1968 dollars have not been updated to reflect inflation and to provide comparable protections in today's dollars.

The bill we are considering today, H.R. 5507, though modest in scope, provides the first update of an important section of TILA in 34 years. This is clearly an overdue change in the law.

TILA protections apply to all credit transactions secured by home equity and other non-business consumer loans or leases under \$25,000. In 1968, this \$25,000 limit on unsecured credit and lease transactions was considered more than adequate to ensure that most automobile, credit card, and personal loan transactions would be covered.

This is clearly not the case today. It is now quite common for many non-mortgage credit transactions to exceed \$25,000. H.R. 5507 ensures that TILA protections will continue to apply to most consumer credit and lease transactions by raising the statutory exemption from \$25,000 to \$75,000. By doing so, we are providing updated protections to consumers that will ensure that a broad range of transactions are covered by TILA.

Though I welcome the overdue change provided for in H.R. 5507, I would have preferred that the agreement we reached with my Republican colleagues on the Committee on Financial Services to schedule this bill would have also included other provisions from the broader TILA modernization bill, H.R. 1054, introduced by our colleague, the gentleman from New York (Mr. LAFALCE), the ranking member of the committee.

This comprehensive bill, which he introduced at the outset of the 107th Congress and is known as the Truth in Lending Modernization Act of 2001, amends TILA to restore important consumer protections that have been weakened by inflation. It also ensures that consumers benefit from advances in accounting technology and strengthens TILA's civil liability and rescission remedies.

But I am, nonetheless, very pleased that we were able to agree on bringing up H.R. 5507 to the House today, along with H.R. 163, a bill to amend the Fair Debt Collection Practices Act, and H.R. 4005, to make the District of Columbia and the U.S. Territories part of the ongoing commemorative quarters program.

Mr. Speaker, I urge support for this long overdue legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, simply let me close by sort of reminiscing. If you think back to 1968, 1968 you could actually buy a two-bedroom home in the community I was raised in, a modest home, but you could buy a two-bedroom home in that community, for \$25,000. Today, you