

the ones from the trust, rather than the numerous pledges of \$50 or \$100 they received in the past.

Clear Path also has the disadvantage of being based in Seattle and out-of-the-mainstream Dorset, far from the significant donors based in New York City or Washington, DC.

Clear Path has raised money through benefit concerts and a music CD. Its next concert will be on Oct. 13 at the Long Trail School in Dorset with performers Sarah Lee Guthrie and Johnny Irion, introduced by Sen. Patrick Leahy, D-Vt.

BURMA

Mr. LEAHY. Mr. President, I spoke last week in this Chamber about the political crisis in Burma where thousands of Buddhist monks, joined by an estimated 100,000 other Burmese citizens, peacefully protested for an end to military dictatorship.

Despite appeals for restraint by governments around the world, as well as the U.N. Secretary General, they were met with brute force. Soldiers firing live bullets and wielding clubs killed and injured an undetermined number of unarmed civilians, including at least one foreign journalist, and there are reports that hundreds, and possibly thousands, of monks have been beaten, killed or jailed.

The atrocities perpetrated by the Burmese generals are crimes against humanity. They should be indicted and prosecuted by the International Criminal Court.

Sooner or later they will be made to pay for the appalling brutality that has been witnessed on television by hundreds of millions of people around the world.

The United States has imposed economic sanctions on the Burmese government for many years, thanks in large measure to the tireless efforts of Senator MCCONNELL who, for the better part of two decades, has called for the release of Aung San Suu Kyi, Burma's rightful leader.

Additional sanctions were announced, belatedly, by President Bush last week. But far more pressure is needed, particularly to convince Burma's trading partners, like China, India and Thailand, to cut their economic ties to Burma. It is thanks in large part to them that the Burmese generals owe their power and wealth.

The crisis in Burma today tarnishes any government that values its financial interests over freedom for the Burmese people. For two decades, they have chafed under the iron grip of a clique of corrupt generals who have shown, year after year, that they belong in the category of ruthless despots who will stop at nothing, including mass murder, to perpetuate their control.

Lasting economic, social and political stability in Burma can only begin once the Burmese generals relinquish power. How that comes about is their choice. We have seen the results of peaceful protest. Not even civil disobe-

dience, just peaceful protest. Time and again it has been met with deadly force.

Those Nations that continue to do business with Burma make a mockery of their own professed commitment to the Universal Declaration of Human Rights. There is no truer test of their commitment to those fundamental principles than how they respond to the slaughter of unarmed monks and civilians by a regime that is apparently unconcerned that their crimes are being televised to the world.

Whether this year, next year, or thereafter, the Burmese junta's days are numbered. Where do Burma's trading partners want to be then—on the right side of history, or having propped up an illegitimate regime until its last gasps?

No government can claim perfection in its respect for human rights, including my own government. We have made mistakes, and it has damaged our credibility as a nation that was instrumental in the creation of the Universal Declaration.

But our own shortcomings are no excuse for other governments' actions to block U.N. resolutions condemning the crackdown in Burma or their refusal to join us in imposing economic sanctions that could deal a death blow to a tyrannical regime.

And it is certainly no excuse for continuing to do lucrative business deals with a government whose officials pocket the profits for themselves while they starve, imprison and murder their people.

It is a testament to the spirit of the Burmese people, and to the courage of Aung San Suu Kyi, that despite so many years of repression, they remain as defiant and as dedicated to the ideals of democracy as ever. Our moral responsibility, the world's responsibility, is to support them.

THE HOMEOWNERS' MORTGAGE AND EQUITY SAVINGS ACT

Mr. SPECTER. Mr. President, while I have the floor, I want to say a few words about S. 2133, the Homeowners' Mortgage and Equity Savings Act, which I introduced yesterday. This legislation addresses the very severe problem of the many homeowners who are now in default on their mortgage payments. This problem has arisen largely because of the many homeowners with adjustable rate mortgages who face increased interest rates and unexpected increases in their mortgage payments.

This is a complex matter, but in many cases, I think there is a real question as to whether lenders made adequate representations to borrowers. Regardless of whether the representations were adequate or not, many borrowers are now confronted with interest rates they had not anticipated and mortgage payments that they can't afford. In the past year, the percentage of homeowners with adjustable rate mortgages who are seriously delin-

quent either 90 days past due or in foreclosure—has nearly doubled. In my home State of Pennsylvania, the number of those who are seriously delinquent has gone up by some 40 percent. The problem is particularly severe among borrowers who had weak credit or low incomes and obtained mortgages at subprime rates. The Center for Responsible Lending projects that some 2.2 million Americans with subprime loans originated between 1998 and 2006 have lost or will lose their homes to foreclosure.

Chapter 13 of the Bankruptcy Code currently give debtors breathing space by imposing a stay on collection of debts, including mortgages, and prevents lenders from foreclosing for a period of time. During that period debtors are given the opportunity to get caught up on their mortgage payments. However, the current Code does not permit any modification of mortgages.

Now with many homeowners facing possible bankruptcy due to their mortgages, some relief is necessary.

The legislation which I have introduced will provide a number of remedies. With respect to adjustable rate mortgages, it will allow bankruptcy judges to prevent or delay interest rate increases and to roll back interest rates that have already reset. This will enable the homeowner to continue to pay down the principal amount that they took on when they bought their house, but will give them relief from increases in their payments due to resetting interest rates.

The bill also will allow the bankruptcy judges to waive early prepayment or prepayment penalties. Many of the borrowers face the situation where they could refinance and get less risky mortgages with manageable payments, but the penalties in their current mortgage contracts are so stiff that they cannot refinance.

Now, the bill does not give bankruptcy judges the latitude to reduce the principal on a mortgage. Senator DURBIN introduced a bill yesterday that goes beyond the bill I have introduced; it allows bankruptcy judges to reduce or "cram down" the principal on a mortgage in accordance with what the bankruptcy judge determines is the value of the property. My bill would only allow the reduction of principal if the lender and the homeowner agree.

I think there is a very significant risk in allowing cram down. If we allow cram down, lenders will factor the risk of having the principal value of their loan reduced into the interest they charge to future home buyers. In other words, people who borrow in the future are going to pay more in interest if the lenders don't have the certainty that at least the principal value of their loan will be recognized and not reduced. Under current circumstances, I think it is fair, on these adjustable rate mortgages—which really are the problem if delinquency rates are any indication—to allow judges to modify interest rate increases which in many