

Campbell (CA)	Hobson	Pickering
Cannon	Hoekstra	Pitts
Cantor	Hulshof	Platts
Capito	Hunter	Poe
Carter	Inglis (SC)	Porter
Castle	Issa	Price (GA)
Chabot	Johnson (IL)	Pryce (OH)
Coble	Johnson, Sam	Putnam
Cole (OK)	Jones (NC)	Radanovich
Conaway	Jordan	Ramstad
Crenshaw	Keller	Regula
Culberson	King (IA)	Rehberg
Davis (KY)	King (NY)	Reichert
Davis, David	Kingston	Renzi
Davis, Tom	Kirk	Reynolds
Deal (GA)	Kline (MN)	Rogers (AL)
Dent	Knollenberg	Rogers (KY)
Diaz-Balart, L.	Kuhl (NY)	Rogers (MI)
Diaz-Balart, M.	LaHood	Rohrabacher
Doolittle	Lamborn	Ros-Lehtinen
Drake	Latham	Roskam
Dreier	LaTourette	Royce
Duncan	Lewis (CA)	Ryan (WI)
Ehlers	Lewis (KY)	Sali
Emerson	Linder	Saxton
English (PA)	LoBiondo	Schmidt
Everett	Lucas	Sensenbrenner
Fallin	Lungren, Daniel	Shadegg
Feeney	E.	Shays
Ferguson	Manzullo	Shimkus
Flake	Marchant	Shuster
Forbes	McCarthy (CA)	Smith (NE)
Fortenberry	McCaul (TX)	Smith (NJ)
Fossella	McCotter	Smith (TX)
Foxo	McCrery	Souder
Franks (AZ)	McHenry	Stearns
Frelinghuysen	McHugh	Sullivan
Gallely	McKeon	Terry
Garrett (NJ)	McMorris	Thornberry
Gerlach	Rodgers	Tiahrt
Gilchrest	Mica	Tiberi
Gingrey	Miller (FL)	Turner
Gohmert	Miller (MI)	Upton
Goode	Miller, Gary	Walberg
Goodlatte	Moran (KS)	Walden (OR)
Gordon	Murphy, Tim	Walsh (NY)
Granger	Musgrave	Wamp
Graves	Myrick	Weldon (FL)
Hall (TX)	Neugebauer	Westmoreland
Hastert	Nunes	Whitfield
Hastings (WA)	Paul	Wicker
Hayes	Pearce	Wilson (SC)
Heller	Pence	Wolf
Hensarling	Peterson (PA)	Young (AK)
Herger	Petri	Young (FL)

## NOT VOTING—16

Bono	Kucinich	Simpson
Carson	Mack	Weller
Cubin	Miller (NC)	Wilson (NM)
Doyle	Oberstar	Wilson (OH)
Grijalva	Ruppersberger	
Jindal	Sessions	

□ 1150

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3915 and to insert extraneous material.

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

There was no objection.

## PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 3915

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 3915 pursuant to House Resolution 825, the

Chair may reduce to 2 minutes the minimum time for electronic voting under clause 6 of rule XVIII and clauses 8 and 9 of rule XX.

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

There was no objection.

## MORTGAGE REFORM AND ANTI-PREDATORY LENDING ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 825 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3915.

□ 1153

## IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3915) to amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes, with Mr. CARDOZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

We are dealing with legislation today that seeks to prevent a repetition of events that caused one of the most serious financial crises in recent times.

We understand today that we are in a worldwide problem economically, with a terrible shortage of credit, with some institutions threatened. There is no debate about what is the largest single cause of that.

Innovations in the mortgage industry, in themselves good and useful, but conducted in such a completely unregulated manner as to have led to this crisis, I know people have said, well, we may be exaggerating it. Here's what we recently heard from the head of the Blackstone operation:

"The mortgage black hole is, I think, worse than anyone saw. Deeper, darker, scarier. The banks are now looking at new reserves and my sense . . . is they don't have a clear picture of how this will play out." That's from one of the leading private sector entities.

What we have today is a bill that cannot undo what happened but makes it much less likely that it will happen in the future.

The fundamental principle of the bill, and many people have lost sight of

this, is not to put remedies into place to deal with these problems when they recur, but to stop them from occurring in the first place.

We have had two groups of mortgage originators recently. We have had banks subject to the regulation of the bank regulators, and they've made mortgage loans. And then we have had mortgage loans made by brokers who were subject to no regulation, who had access to pools of money that were not regulated and could sell it to an unregulated secondary market. It is not the case that the brokers are morally inferior to the bankers. In both cases we are talking about people overwhelmingly who are decent and well-intentioned. The difference is the absence of regulation so that pressures to do things that were irresponsible were checked by regulation in the banking area and were left unchecked elsewhere.

Essentially what this bill does in its most important form is to try to conceptualize the rules that bank regulators used to prevent loans from being made that should not have been made and apply them to all loan originators. Again, the goal is not to give more remedies when people face foreclosure when there have been abuses, but to prevent the abuses in the first place.

One question has been raised from some in the Attorney General field and elsewhere who say, what about our current efforts to deal with the people who were abused? Thanks to a very explicit amendment by the gentleman from North Carolina (Mr. WATT) who, along with the gentleman from North Carolina (Mr. MILLER), is one of the main authors of this bill, this bill will be entirely prospective in its effect, and people should understand no cause of action, no legal complaint, no remedy sought against anybody who up until now and until this bill is signed many months in the future, none of those causes of action will be abrogated. Every remedy being pursued against past abuses and even abuses that may yet to have occurred, although we hope they won't, until this bill becomes law will not be stopped.

There is some controversy about preemption. The bill takes a balanced position which has made a lot of people on all sides a little bit unhappy. We do not preempt the right of States to decide how to deal with mortgage originators, with lenders, with any of those. We do say that with regard to the secondary market, we are going to put some liability on those who are the active packagers, and that's in some ways controversial; but we believe the unregulated secondary market was a large part of this problem.

We do believe that you need to have some uniform rules if you are going to have a functioning secondary market. And we believe the secondary market has been on the whole useful but, having been unregulated, has caused some problems. So there is a limited preemption to that extent.