

During his distinguished career, Judge Brieant received many awards and honors including the Servant of Justice Award from the Guild of St. Ives in 1998 and the Edward Weinfeld Award for Distinguished Contributions to the Administration of Justice in 2006.

During his lengthy career, Judge Brieant rendered many important decisions, including the Texaco bankruptcy case, and the decision to overturn New York's primary system, declaring it "unconstitutionally discriminating" by diluting the voting strength of minority voters. He was known as a strong independent thinker, a true gentleman, and a mentor to young lawyers.

It is both fitting and proper to honor Judge Brieant's distinguished public career with this designation. I urge my colleagues to join me in supporting H.R. 6340.

HOUSING AND ECONOMIC RECOVERY ACT OF 2008

SPEECH OF

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 23, 2008

Mr. BACA. Mr. Speaker, the foreclosure crisis is hurting communities all across the Nation and my district has been especially impacted: In San Bernardino County, 11,817 notices of default were recorded in the first quarter, 130 percent more than a year earlier.

Everyone pays when there are foreclosures. Crime increases, home values decline, schools are affected, and cities run deficits which impacts revenues for local police, fire, and social services.

Last Wednesday, I came to the floor in support of a legislative package that would stimulate our Nation's struggling economy and help prevent foreclosures. The House passed the American Housing Rescue and Foreclosure Prevention Act of 2008 with bipartisan support on that same day and the Senate approved it last Saturday, sending the bill straight to the President for his signature.

I am particularly pleased that the final package included an important housing counseling provision which I offered with support from Reps. MAHONEY from Florida and MCCARTHY from New York. This provision directs the Neighborhood Reinvestment Corporation to give greater consideration to counseling agencies that have a demonstrated track record in working with servicers and that provide in-person contact and in-person [face-to-face] housing counseling to borrowers in trouble when awarding their grants. It evolved out of the growing concern that despite all of the media attention given to the foreclosure crisis, as well as the creation of the HOPE Now Alliance, many homeowners were still not receiving assistance they needed to avoid entering foreclosure. According to a Freddie Mac study, 56 percent of homeowners don't even know free counseling exists. Also, counselors across the country have reported delays and challenges connecting with telephone counseling. Counselors that receive referrals from hotlines often have to start fresh with the client, and language minorities report having difficulty reaching a live counselor.

Whenever possible, in-person foreclosure counseling is preferable over telephone coun-

seling alone. In fact, one-on-one counseling is shown preference in the HUD Housing Counseling Program—one that has demonstrated enormous success.

Of course, the intention of this provision is not to exclude any struggling family. If telephone counseling is the only means of support available, the family should absolutely have access to it. The intention is to promote first the most effective and efficient services to families, then ensure a back up is in place. Telephone counseling should augment and supplement in-person counseling when it is unavailable or work is overflowing. Not the other way around.

The intent of the effort which I have described is to make housing counseling dollars as effective as possible and to reach as many borrowers in trouble as possible. Providing in-person outreach to homeowners in trouble and in-person housing counseling is more effective than just sending a default notification in the mail. Having someone individually reach out to these borrowers to work through their options to avoid foreclosure by analyzing their specific situation, including their loan document, is a necessary line of prevention and defense.

My amendment simply directs some of the counseling funding in the American Housing Rescue and Foreclosure Prevention Act (H.R. 3221) to organizations that already promote this proven method.

It is our hope that the lenders, servicers, and federally regulated and federally chartered institutions like the GSEs and HUD would also do everything possible to include in-person outreach and in-person counseling in their efforts, including working with organizations that have the demonstrated capacity to reach out to homeowners needing assistance. Increasing this type of outreach and assistance is especially critical in non-judicial foreclosure states where notice of default and foreclosure is limited.

We also hope the language in this bill will help level the playing field to ensure organizations with established servicer partnerships and the demonstrated experience and capacity to offer more in-depth service through in-person counseling and outreach can receive grant funding so that they have the resources they need to assist those hard-to-reach borrowers.

This is good public policy and good business because it will increase loan modifications and decrease foreclosures and thereby minimize the adverse impact on local communities. It will also strengthen relationships between counseling agencies, servicers, and lenders to enhance outreach out to borrowers who are behind in their payments. More importantly, it will help keep struggling families in their homes.

Mr. Speaker, I am also pleased that the American Housing Rescue and Foreclosure Prevention Act contains another provision I authored in my bill, H.R. 4019, the Mortgage Disclosure Improvement Act and I want to thank Senator REED (R) the author of the companion bill, for his leadership in shepherding this provision in the Senate. This provision will ensure that consumers are provided with timely and meaningful disclosures in connection with not just home purchases but also for loans that refinance a home or provide a home equity line of credit. It requires that mortgage disclosures be provided within 3 days of application and no later than 7 days

before closing. This should allow borrowers to shop for another mortgage if they are not satisfied with the terms. If the terms of the loan change, the consumer must be notified 3 days before closing of the changed terms.

If consumers apply for adjustable rate or variable rate payment loans, there will now be an explicit warning on the 1-page Truth in Lending Act form that the payments will change depending on the interest rate and an estimate of how those payments will change under the terms of the contract based on the current interest rate. The bill also provides a new disclosure that informs borrowers of the maximum monthly payments possible under their loan.

The bill provides the right to waive the early disclosure requirements if the consumer has a bona fide financial emergency that requires they close the loan quickly and increases the range of statutory damages for TILA violations from the current \$200 to \$2,000 to a range of \$400 to \$4,000.

Finally, it requires lenders to include a statement that the consumer is not obligated to purchase the mortgage loan just because they received the disclosures. This will give consumers the opportunity to truly shop around for the best mortgage terms for the first time ever. They will be able to compare the payments and costs associated with a certain loan product and decide not to sign on the dotted line if they do not like the basic terms of the loan.

This will help prevent foreclosures in the future especially given the fact that many consumers facing foreclosure on their homes who have adjustable rate mortgages never understood how their loan products worked or how high their payments would be once their loans reset.

EARMARK DECLARATION

HON. TOM FEENEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 2008

Mr. FEENEY. Madam Speaker, pursuant to the Republican Leadership standards on earmarks, I am submitting the following information for publication in the CONGRESSIONAL RECORD regarding earmarks I received as part of H.R. 6599, the FY 09 Military Construction and Veterans Affairs Appropriations bill:

I sent the attached letter to the Appropriations committee members on February 4, 2008 asking for complete funding for the veterans hospital being built in Orlando, FL.

The funds for the new medical facility in Orlando, FL come from the Major Construction account under Veterans Affairs. The United States Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, will be receiving the funds. The \$220,000,000 will be used toward construction, site preparation, installation of utilities, roads, and an energy plant.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2008.

Hon. ROGER WICKER,
Rayburn House Office Building,
Washington, DC.

DEAR RANKING MEMBER WICKER: I am writing to request that Congress include full funding for the completion of the VA hospital to be located in Orlando, Florida. The