

a distance of 2.0 miles as access to the I-75 interchange. This project P.E. is funded with previous congressional budget appropriations and High Priority Program funds from SAFETEA-LU.

Requesting Member: Congressman MIKE ROGERS (MI)

Bill Number: H.R. 1105

Account: IM

Legal Name of Requesting Entity: The Michigan Department of Transportation

Address of Requesting Entity: Michigan Department of Transportation, 425 W. Ottawa St. Lansing, MI 48909

Description of Request: Provide funding of \$570,000 for the purchase of right of ways necessary to complete the construction of an interchange and overpass at the interchange of Interstate 96 and Latson Road.

Requesting Member: Congressman MIKE ROGERS (MI)

Bill Number: H.R. 1105

Account: 5309 Legal

Name of Requesting Entity: The Capital Area Transportation Authority

Address of Requesting Entity: 4615 Tranter Street, Lansing, MI 48910

Description of Request: Provide funding of \$1,900,000 for the purchase of approximately 3 40 foot hybrid buses, 2 60 foot hybrid buses, 2 small buses, 2 rural service buses and 7 Mini-Hybrid fan systems.

Requesting Member: Congressman MIKE ROGERS (MI)

Bill Number: H.R. 1105

Account: 5309

Legal Name of Requesting Entity: The Capital Area Transportation Authority

Address of Requesting Entity: 4615 Tranter Street, Lansing, MI 48910

Description of Request: Provide funding of \$712,500 for the renovation and expansion of the existing bus storage facility. The funding will be distributed such that 50% will pay for renovations and 50% for expansion construction that will extend the useful life of the facility.

HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009

SPEECH OF

HON. FRANK D. LUCAS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 5, 2009

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability:

Mr. LUCAS. Mr. Chair, I rise today in strong opposition to this legislation.

Many of my colleagues today have made excellent points about the real effect of this legislation. This legislation will most certainly not help those who it is designed to help. It will drive up the cost of loans, limit the number of loans that can be made, raise interest rates, and increase opportunities for abuse in the bankruptcy system.

I want to focus the House today on another important problem that has not been discussed: how the bankruptcy laws and the accounting rules and treatments combine to do potentially substantial and lasting damage to the financial system.

Under existing accounting rules, any bankruptcy loss may be considered an indication of impairment. The term that is used by accountants is "other than temporarily impaired", or "OTTI". I want to make sure that the House understands the consequences of this problem in the real world. Even if a company took a small bankruptcy loss on one of the residential mortgage-backed securities (RMBS) that it owns, the amount of loss that would be recognized in that company's income statement is a full writedown to deeply depressed market values, not just the amount deemed to be a bankruptcy. Any loss of principal, current or future, requires this treatment no matter what term is used to describe the loss. If a judge can adjust principal, then a significant detrimental impact to the company will automatically follow.

The House must clearly understand that the losses which would be recognized by financial institutions in this situation are far greater than the amount of the bankruptcy losses. Any RMBS holder will have to record these losses in the same manner, and so the threat of bankruptcy "cramdowns" casts a huge shadow across the entire financial services industry. For example, if a company owns five million dollars (\$5,000,000) in RMBS with a current market value of \$2,500,000, and there is a bankruptcy loss per the judge of fifty thousand dollars (\$50,000 economic loss) to the preferred RMBS tranche, the required financial statement loss under existing accounting rules would be two million five hundred thousand dollars (\$2,500,000). In this example, accounting rules require booking the financial statement loss at fifty times the actual economic loss.

This is a stark, but true, statement of the horrific impact that existing accounting rules are likely to have on the financial services industry in the event this legislation becomes law. It would only take a few of these kinds of losses to destroy the current year operating positions of any company and greatly impact its overall capital position.

This means that the cramdown legislation the House considers today carries with it a virus that threatens to consume significant parts of the financial services industry, particularly any company that is a significant holder of RMBS. The Majority either does not understand, or has chosen not to deal with, this significant and looming problem. Likewise, there is a lack of understanding about the major role that accounting rules and treatments play in it. I earnestly hope that our colleagues in the other body will address this issue squarely, and understand that cramdown without accounting reform and strict limitations on the discretion of bankruptcy judges has the potential to create significant and unanticipated collateral damage to our financial system, as well as loss of credibility with financial services industry customers and widespread negative ratings from all rating agencies.

A TRIBUTE IN REMEMBRANCE OF ALBERT BRANDEL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 2009

Mr. TOWNS. Madam Speaker, I rise today to in recognition of Albert Brandel. Albert F.

Brandel of Melville, New York, was elected president of The International Association of Lions Clubs at the association's 91st International Convention, held in Bangkok, Thailand, June 23–27, 2008.

Mr. Brandel is a retired police detective. For many years he investigated child abuse and neglect, juvenile delinquency, domestic violence involving children and missing children.

Mr. Brandel was a member of the West Hempstead Lions Club since 1975 and an associate member of the Melville Lions Club. International President Brandel has held many offices in the association, including club president, district governor and international director. He has also served as a presenter and panelist at USA/Canada Lions Leadership Forums. He worked with the Long Island Lions Eye Bank as a transporter and has been the Lions Representative to UNICEF in New York for 10 years. Mr. Brandel also helped coordinate Lions relief effects at the World Trade Center following September 11, 2001.

In recognition of Albert Brandel's contributions, he has received numerous awards, including the 100% Club President Award, the 100% District Governor Award, 15 International President's Awards and the Ambassador of Good Will Award, the highest award the association grants to its members. He is also a Progression Melvin Jones Fellow.

In addition to his Lions activities, Mr. Brandel has served as a Little League volunteer and a Eucharistic minister. He is a former member of the board of directors of the United Nations Association of the USA.

COMMENDING THE OUTSTANDING WOMEN OF SOMERSET COUNTY

HON. LEONARD LANCE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 2009

Mr. LANCE. Madam Speaker, I rise in honor of National Women's History Month, and I would like to congratulate a number of outstanding women who will be recognized at the Somerset County's Commission on the Status of Women awards in New Jersey's Seventh Congressional District.

The Commission presents awards annually in celebration of National Women's History Month in March. This year there are 17 women being honored, including entrepreneurs, educators and hometown heroes whose community service is considered extraordinary.

This year's Volunteerism Award winner is Tina Rear of Hillsborough. She is the founder of Care to Share Support Network.

Tina founded the organization after her son was diagnosed with autism. It now serves special-needs children and their families.

She also established a grant program to offset the financial hardships related to the therapy and medical care needed by children with disabilities.

Tina has worked with police to create an Emergency Data Sheet to help such children in case of an emergency.

I am pleased to congratulate Tina Rear for her outstanding efforts and share her good work with my colleagues in the United States Congress and the American people.