



Protecting American Homeowners

The mortgage crisis and dramatic increase in foreclosures across the country have wreaked havoc on our economy, and Idaho families are feeling the impact. Some are facing foreclosure and difficult financial decisions, others have experienced difficulties acquiring credit, and many are concerned about how the current market has affected their investments. While I believe it was wise for the government to respond to protect American families, retirees, and small businesses from the global credit crisis that has paralyzed our financial system, it is clear that the mortgage crisis must be addressed to ensure that Americans who are facing foreclosure and want to stay in their homes are able to do so.

Congress has already taken a number of steps to address this issue. You may be interested to know that on July 30, 2008, President Bush signed into law the Hope for Homeowners program. This voluntary program allows financially distressed homeowners to refinance into more affordable FHA-insured mortgages. Homeowners must meet certain qualifications, and when the property is sold or the mortgage is refinanced, HOPE and the borrower share any equity. I also supported the Mortgage Forgiveness Debt Relief Act, which ensures that families don't have to pay taxes on property on which debt has been cancelled or forgiven.

While the Hope for Homeowners program is an important effort toward protecting families from losing their homes as a result of financial distress, in the coming weeks Congress will likely consider additional legislation to stem the tide of foreclosures in our country. As we do, it is important to remember that, despite the current crisis, over 90 percent of American mortgage holders are making their payments in full and on time. Some are struggling to do so, and I support effort additional efforts to bring borrowers and lenders together to work out these problems through credit counseling and refinancing of loans. In addition, I support legislation aimed at protecting homebuyers from predatory lending practices and improving financial literacy in Idaho and across the nation. I will continue to support efforts that encourage growth, create jobs, and help Americans achieve and maintain the benefits of homeownership.

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